COPY

Premier Medical Group, PC

CN1505-016

Legends Bank

P.O. Box 1066 Clarksville, TN 37041-1066

87-844
641

NO. 071792

05/06/2015

AMOUNT

$9,115.00

Nine Thousand One Hundred Fifteen and 00/100******* DOLLARS

31607001
75-58-1

REMITTER: PREMIER MEDICAL

PAY TO THE ORDER OF HEALTH SERVICES AND DEVELOPMENT AGENCY STATE OF TENNESSEE

CASHIER'S CHECK

AUTHORIZED SIGNATURE

CON #CN9909-082A FILING FEE

⑈071792⑈ ⑆064108443⑆ 5000167⑈

**** DUPLICATE ****

STATE OF TENNESSEE
Health Services and Dev Agency
Office 31607001
5/8/2015 10:51 AM

Cashier: marka0508001
Batch #: 758758
Trans #: 1
Workstation: AF0719WP45

==========

CON Filing Fees

Receipt #: 14598223

HA01 CON Filing Fees $9,115.00

Payment Total: $9,115.00

==========

Transaction Total: $9,115.00

Check 21 $9,115.00

Thank you for your payment.
Have a nice day!

**** DUPLICATE ****

PREMIER MEDICAL GROUP, PC

CON Application

#3 - COPY

1. ***Name of Facility, Agency, or Institution***

Premier Medical Group, PC (Tax ID #62-1586159) (TN CON #CN9909-082A)
Name

2831 Wilma Rudolph Blvd. **(EXISTING)** 490 Dunlop Lane **(NEW)** Montgomery
Street or Route County

Clarksville TN 37040
City State Zip Code

2. ***Contact Person Available for Responses to Questions***

Lloyd E. Matson Chief Administrator
Name Title

Premier Medical Group, PC lloydm@premiermed.com
Company Name Email address

1850 Business Park Dr., Suite 110-A Clarksville TN 37040
Street or Route City State Zip Code

Employee (931) 245-7001 (931) 245-7069
Association with Owner Phone Number Fax Number

3. ***Owner of the Facility, Agency or Institution***

See Attachments – Pages #55 - 58

Premier Medical Group, PC (931) 245-7000
Name Phone Number

1850 Business Park Drive, Suite 110-A Montgomery
Street or Route County

Clarksville TN 37040
City State Zip Code

4. ***Type of Ownership of Control (Check One)***

See Attachments – Pages # 59 - 61

A. Sole Proprietorship _____
B. Partnership _____
C. Limited Partnership _____
D. Corporation (For Profit) X
E. Corporation (Not-for-Profit) _____
F. Government (State of TN or Political Subdivision) _____
G. Joint Venture _____
H. Limited Liability Company _____
I. Other (Specify)_____ _____

PUT ALL ATTACHMENTS AT THE BACK OF THE APPLICATION IN ORDER AND REFERENCE THE APPLICABLE ITEM NUMBER ON ALL ATTACHMENTS.

5. ***Name of Management/Operating Entity (If Applicable)***

See Attachments – Pages #62 - 90

Premier Medical Group, PC Board of Directors
Name

1850 Business Park Drive, Suite 110-A
Street or Route

Montgomery
County

Clarksville
City

TN
State

37040
Zip Code

PUT ALL ATTACHMENTS AT THE END OF THE APPLICATION IN ORDER AND REFERENCE THE APPLICABLE ITEM NUMBER ON ALL ATTACHMENTS.

6. ***Legal Interest in the Site of the Institution (Check One)***

See Attachments – Pages #91 - 115

A.	Ownership	____	D.	Option to Lease	____
B.	Option to Purchase	____	E.	Other (Specify) ____	____
C.	Lease of 5 Years	X			

PUT ALL ATTACHMENTS AT THE BACK OF THE APPLICATION IN ORDER AND REFERENCE THE APPLICABLE ITEM NUMBER ON ALL ATTACHMENTS.

7. ***Type of Institution (Check as appropriate--more than one response may apply)***

A.	Hospital (Specify)____	____	I.	Nursing Home	____
B.	Ambulatory Surgical Treatment Center (ASTC), Multi-Specialty	____	J.	Outpatient Diagnostic Center	____
C.	ASTC, Single Specialty	____	K.	Recuperation Center	____
D.	Home Health Agency	____	L.	Rehabilitation Facility	____
E.	Hospice	____	M.	Residential Hospice	____
F.	Mental Health Hospital	____	N.	Non-Residential Methadone Facility	____
G.	Mental Health Residential Treatment Facility	____	O.	Birthing Center	____
H.	Mental Retardation Institutional Habilitation Facility (ICF/MR)	____	P.	Other Outpatient Facility (Specify) Physician Medical Group Practice	X
			Q.	Other (Specify) ____	____

8. **Purpose of Review *(Check) as appropriate--more than one response may apply)***

A.	New Institution	____	G.	Change in Bed Complement [*Please note the type of change by underlining the appropriate response: Increase, Decrease, Designation, Distribution, Conversion, Relocation*]	
B.	Replacement/Existing Facility	____			
C.	Modification/Existing Facility	____			
D.	Initiation of Health Care Service as defined in TCA § 68-11-1607(4) (Specify)____	____	H.	Change of Location	X
E.	Discontinuance of OB Services	____	I.	Other (Specify) Replacing old equipment with new MRI lease	X
F.	Acquisition of Equipment	____			

9. Bed Complement Data N/A

Please indicate current and proposed distribution and certification of facility beds.

	Current Beds Licensed	*CON	Staffed Beds	Beds Proposed	TOTAL Beds at Completion
A. Medical					
B. Surgical					
C. Long-Term Care Hospital					
D. Obstetrical					
E. ICU/CCU					
F. Neonatal					
G. Pediatric					
H. Adult Psychiatric					
I. Geriatric Psychiatric					
J. Child/Adolescent Psychiatric					
K. Rehabilitation					
L. Nursing Facility (non-Medicaid Certified)					
M. Nursing Facility Level 1 (Medicaid only)					
N. Nursing Facility Level 2 (Medicare only)					
O. Nursing Facility Level 2 (dually certified Medicaid/Medicare)					
P. ICF/MR					
Q. Adult Chemical Dependency					
R. Child and Adolescent Chemical Dependency					
S. Swing Beds					
T. Mental Health Residential Treatment					
U. Residential Hospice					
TOTAL					

*CON-Beds approved but not yet in service

SECTION A

#9

ALL - N/A

10. Medicare Provider Number 3706654

Certification Type N/A

11. Medicaid Provider Number 3706654

Certification Type N/A

12. If this is a new facility, will certification be sought for Medicare and/or Medicaid? N/A

13. ***Identify all TennCare Managed Care Organizations/Behavioral Health Organizations (MCOs/BHOs) operating in the proposed service area.*** **Will this project involve the treatment of TennCare participants?** YES **If the response to this item is yes, please identify all MCOs/BHOs with which the applicant has contracted** ***or plans to contract.***

See Attachments – Pages #116 - 117

SECTION B: PROJECT DESCRIPTION

I. Provide a brief executive summary of the project not to exceed two pages. Topics to be included in the executive summary are a brief description of proposed services and equipment, ownership structure, service area, need, existing resources, project cost, funding, financial feasibility and staffing.

Response:

Executive Summary

Premier Medical Group, PC proposes to move its current MRI CON (# CN9909-082A) to 490 Dunlop Lane, Clarksville, TN 37040 to begin operations in January 2016. Premier Medical Group, PC has operated at its current location using its current MRI and CON since December 15, 1999. Premier Medical Group, PC providers order MRI studies for only Premier Medical Group, PC established patients. This is due to Stark II law and covered under Stark Group Exclusion and current TN CON #CN9909-082A.

Premier Medical Group, PC is a Tennessee Corporation (Tax ID #62-1586159).

Equipment

The current equipment covered under the Premier Medical Group, PC MRI CON is: **GE Signa ExciteHD 1.5 Tesla Superconducting Magnet**
Model: 2006
Current age of equipment: 9 Years
Serial #: R4719

Service Area

The Premier Medical Group, PC service area includes all of Montgomery County and only Premier Medical Group, PC established patients.

Need

Premier Medical Group, PC currently operates under the MRI CON as a convenient cost savings for Premier Medical Group, PC patients only. Each year, since approval from the State of Tennessee, Premier Medical Group, PC has provided annual usage information to the State of Tennessee as required. Premier Medical Group, PC provided 1,491 MRI services to established patients in 2014. These patients are a broad mix of patients from Medicare, TennCare, TriCare and many commercial and/or Workers Compensation/Industrial Medicine patients.

Existing Resource

The existing leased clinic location is at 2831 Wilma Rudolph Blvd, Clarksville, TN 37040 and is in a 30,000 sq. ft. facility that is approximately 20 years old. Premier Medical Group, PC made the decision that it is necessary for better access, better

Continued:
SECTION B: PROJECT DESCRIPTION

Existing Resource

visibility, comfort and quality of facility and improve patient experience and care to patients to move from its current location to a new location currently under construction at 490 Dunlop Lane, Clarksville, TN 37040. Premier Medical Group, PC has a small ownership percentage in Premier Development Group, LLC which is developing the facility (Attachment – Pages #118 – 119). Premier Development Group, LLC is funding the entire construction of the new facility for Premier Medical Group, PC. There is a lease agreement in place. In addition to moving the current CON to the proposed location and improve the quality of MRI services to our own patients, it is necessary to replace the current 20 year old technology MRI equipment covered under the current CON with new replacement leased MRI equipment. After extensive review of MRI equipment and negotiations with finalist vendors, GE MRI was selected. It is anticipated that Premier Medical Group, PC will lease the GE equipment from GE Capital.

Staffing:
Currently, Premier Medical Group, PC employs the following staff members to operate its MRI equipment:

Jeffrey Wade, M.D. (Radiologist)
Kevin Preston, M.D. (Radiologist) – Start Date: 8/1/2015
Radiology Techs: Phil Fuqua
Louise Lane

SECTION B: PROJECT DESCRIPTION

II. Provide a detailed narrative of the project by addressing the following items as they relate to the proposal.

A. Describe the construction, modification and/or renovation of the facility (exclusive of major medical equipment covered by T.C.A. § 68-11-1601 et seq.) including square footage, major operational areas, room configuration, etc. Applicants with hospital projects (construction cost in excess of $5 million) and other facility projects (construction cost in excess of $2 million) should complete the Square Footage and Cost per Square Footage Chart. Utilizing the attached Chart, applicants with hospital projects should complete Parts A.-E. by identifying as applicable nursing units, ancillary areas, and support areas affected by this project. Provide the location of the unit/service within the existing facility along with current square footage, where, if any, the unit/service will relocate temporarily during construction and renovation, and then the location of the unit/service with proposed square footage. The total cost per square foot should provide a breakout between new construction and renovation cost per square foot. Other facility projects need only complete Parts B.-E. Please also discuss and justify the cost per square foot for this project.

If the project involves none of the above, describe the development of the proposal.

Response:

Construction

The Premier Medical Group, PC MRI CON will be relocated in the new physician clinic building currently under construction at 490 Dunlop Lane, Clarksville, TN 37040. Premier Development Group, LLC will be constructing the facility for Premier Medical Group, PC. It is planned that the MRI CON will be relocated from its current location to this facility. In addition, it is anticipated that replacement MRI leased equipment will be located at this new address.

The construction related to the build out of the space used for the MRI will not exceed $2 million. Therefore, we have not submitted a square footage and cost per square foot chart.

SECTION B: PROJECT DESCRIPTION

II. Provide a detailed narrative of the project by addressing the following items as they relate to the proposal.

B. Identify the number and type of beds increased, decreased, converted, relocated, designated, and/or redistributed by this application. Describe the reasons for change in bed allocations and describe the impact the bed change will have on the existing services.

Response:

Not Applicable (NA)

SQUARE FOOTAGE AND COST PER SQUARE FOOTAGE CHART

A. Unit / Department	Existing Location	Existing SF	Temporary Location	Proposed Final Location	Proposed Final Square Footage			Proposed Final Cost/ SF		
					Renovated	New	Total	Renovated	New	Total
B. Unit/Depart. GSF Sub-Total										
C. Mechanical/ Electrical GSF										
D. Circulation /Structure GSF										
E. Total GSF										

Not Applicable (NA)

SECTION B: PROJECT DESCRIPTION

II. Provide a detailed narrative of the project by addressing the following items as they relate to the proposal

C. As the applicant, describe your need to provide the following health care services (if applicable to this application):

Response:

1. Adult Psychiatric Services – **N/A**
2. Alcohol and Drug Treatment for Adolescents (exceeding 28 days) – **N/A**
3. Birthing Center – **N/A**
4. Burn Units – **N/A**
5. Cardiac Catheterization Services – **N/A**
6. Child and Adolescent Psychiatric Services – **N/A**
7. Extracorporeal Lithotripsy – **N/A**
8. Home Health Services – **N/A**
9. Hospice Services – **N/A**
10. Residential Hospice – **N/A**
11. ICF/MR Services – **N/A**
12. Long-term Care Services – **N/A**
13. Magnetic Resonance Imaging (MRI) - **Premier Medical Group, PC has operated current MRI under its current CON (#CN9909-082A) since January 15, 1999. Premier Medical Group, PC provided 1,491 MRI studies in 2014.**
14. Mental Health Residential Treatment – **N/A**
15. Neonatal Intensive Care Unit – **N/A**
16. Non-Residential Methadone Treatment Centers – **N/A**
17. Open Heart Surgery – **N/A**
18. Positron Emission Tomography – **N/A**
19. Radiation Therapy/Linear Accelerator – **N/A**
20. Rehabilitation Services – **N/A**
21. Swing Beds – **N/A**

SECTION B: PROJECT DESCRIPTION

II. Provide a detailed narrative of the project by addressing the following items as they relate to the proposal.

D. Describe the need to change location or replace an existing facility.

Response:

The Premier Medical Group, PC Board of Directors and Shareholders of Premier Medical Group, PC determined four years ago, at the end of current leases, that it was going to be necessary to relocate physician clinical services to a new facility closer to Gateway Medical Center and in a less retail environment for ease of access both for patients, physicians and staff. The Premier Medical Group, PC Board of Directors decided to move to the new location and will close the existing leased facility at the end of the current lease which ends on February 29, 2016. A lease for the new facility, currently under construction, has already been agreed upon and signed by Premier Medical Group, PC and Premier Development Group, LLC. The current MRI equipment owned by Premier Medical Group, PC is a GE Signa Excite HD 1.5 Tesla Superconducting Magnet and is 9 years old. In 2014, Premier Medical Group, PC Administration under the direction of the Premier Medical Group, PC Board of Directors searched and negotiated a new purchase/lease agreement with GE to lease a GE Optima MR 450w 1.5 Tesla Magnet System – EX Platform.

The newer MRI machine will create more detailed images resulting in greater diagnostic accuracy. It will also render images more quickly adding a greater level of comfort and convenience to patients.

SECTION B: PROJECT DESCRIPTION

II. Provide a detailed narrative of the project by addressing the following items as they relate to the proposal.

E. Describe the acquisition of any item of major medical equipment (as defined by the Agency Rules and the Statute) which exceeds a cost of $1.5 million; and/or is a magnetic resonance imaging (MRI) scanner, positron emission tomography (PET) scanner, extracorporeal lithotripter and/or linear accelerator by responding to the following:

1. For fixed-site major medical equipment (not replacing existing equipment):

a. Describe the new equipment, including:

1. Total cost; (As defined by Agency Rule).
Response:
$954,044.17

2. Expected useful life;
Response:
5 Years

3. List of clinical applications to be provided; and
Response:
(See Attachment – Page #120)

4. Documentation of FDA approval.
Response:
See Attachment – Pages # 121 - 126)

b. Provide current and proposed schedules of operations.
Response:
(See Attachment – Page #127)

SECTION B: PROJECT DESCRIPTION

II. Provide a detailed narrative of the project by addressing the following items as they relate to the proposal.

E. Describe the acquisition of any item of major medical equipment (as defined by the Agency Rules and the Statute) which exceeds a cost of $1.5 million; and/or is a magnetic resonance imaging (MRI) scanner, positron emission tomography (PET) scanner, extracorporeal lithotripter and/or linear accelerator by responding to the following:

2. For mobile major medical equipment:

a. List all sites that will be served; - **N/A**

b. Provide current and/or proposed schedule of operations; - **N/A**

c. Provide the lease or contract cost. – **N/A**

d. Provide the fair market value of the equipment; and – **N/A**

e. List the owner for the equipment – **N/A**

SECTION B: PROJECT DESCRIPTION

II. Provide a detailed narrative of the project by addressing the following items as they relate to the proposal.

E. Describe the acquisition of any item of major medical equipment (as defined by the Agency Rules and the Statute) which exceeds a cost of $1.5 million; and/or is a magnetic resonance imaging (MRI) scanner, positron emission tomography (PET) scanner, extracorporeal lithotripter and/or linear accelerator by responding to the following:

3. Indicate applicant's legal interest in equipment (*i.e.*, purchase, lease, etc.) In the case of equipment purchase include a quote and/or proposal from an equipment vendor, or in the case of an equipment lease provide a draft lease or contract that at least indicates the term of the lease and the anticipated lease payments.

Response:

Premier Medical Group, PC has an option to lease equipment (see draft sample copy of equipment lease – (Attachment - Pages #128 - 135) or purchase equipment (See Attachment – Pages #136 - 152). Lease is anticipated to be signed once the CON approval is obtained. The anticipated lease cost is $14,851 per month.

The new equipment will be used to replace 20 year old equipment. This is a necessary technology upgrade. The new MRI equipment will be installed in the new facility. The new equipment will only begin operation after all technical and licensing has been completed and after the old MRI located at 2831 Wilma Rudolph Blvd., Clarksville, TN 37040 is shut down.

SECTION B: PROJECT DESCRIPTION

III. (A) Attach a copy of the plot plan of the site on an 8 ½" x 11" sheet of white paper which **must include:**

1. Size of site **(in acres);**
   Response:
   The new site for Premier Medical Group, PC in Phase I is located at 490 Dunlop Lane, Clarksville, TN 37040. The entire site is approximately 11.5 acres. The Phase I building is approximately 54,000 sq. ft. Phase I acreage is approximately 7.5 acres. (See Attachment – Page #153)

2. Location of structure on the site; and
   Response:
   Location of the structure on the site is indicated on the site map – (See Attachment – Page #153). Additionally, location of the MRI facility within Phase I is identified on Floor Plan II – (See Attachment – Page #154).

3. Location of the proposed construction.
   Response:
   The location of construction is at 490 Dunlop Lane, Clarksville, TN 37040.

4. Names of streets, roads or highway that cross or border the site.
   Response:
   Dunlop Lane
   Ted Crozier, Sr. Blvd.
   Chesapeake Lane
   (See Attachment – Page # 153)

   Please note that the drawings do not need to be drawn to scale. Plot plans are required for all projects.

SECTION B: PROJECT DESCRIPTION

III. (B)

1. Describe the relationship of the site to public transportation routes, if any, and to any highway or major road developments in the area. Describe the accessibility of the proposed site to patients/clients.

Response:

There is a Public Transportation route from Clarksville Transit Authority located at 200 Legion Street, Clarksville, TN 37040 that runs routes (See Attachment – Page #155) by the property on Dunlop Lane. The property at 490 Dunlop Lane has access to Ted Crozier, Sr., Blvd. which has access to Wilma Rudolph Blvd., and Exit 4 at I-24. Ted Crozier, Sr., Blvd. also has access to Warfield Blvd. to the south and west which has access to Rossview Road which has access to Exit 8 at I-24 and also has access to Madison Street which also has access to Exit 11 at I-24 and Clarksville Pike which flows south thru Robertson and Davidson counties. Accessibility to the new site will meet all ADA requirements and will be on the ground floor making it accessible to all patients no matter their physical abilities, disabilities, age, etc.

SECTION B: PROJECT DESCRIPTION

IV. Attach a floor plan drawing for the facility which includes legible labeling of patient care rooms (noting private or semi-private), ancillary areas, equipment areas, etc. on an 8 ½" x 11" sheet of white paper.

NOTE: **DO NOT SUBMIT BLUEPRINTS**. Simple line drawings should be submitted and need not be drawn to scale.

Response:

(See Attachment – Page #156)

SECTION B: PROJECT DESCRIPTION

V. For a Home Health Agency or Hospice, identify:

1. Existing service area by County;
2. Proposed service area by County;
3. A parent or primary service provider;
4. Existing branches; and
5. Proposed branches.

Response:
Not Applicable (NA)

SECTION C: GENERAL CRITERIA FOR CERTIFICATE OF NEED

QUESTIONS

NEED

1. Describe the relationship of this proposal toward the implementation of the State Health Plan and Tennessee's Health: Guidelines for Growth.

   a. Please provide a response to each criterion and standard in Certificate of Need Categories that are applicable to the proposed project. Do not provide responses to General Criteria and Standards (pages 6-9) here.

Response:
Premier Medical Group, PC currently operates a Certificate of Need for an MRI dated December 15, 1999. This proposal requests approval to move CON from current location to new location.

   b. Applications that include a Change of Site for a health care institution, provide a response to General Criterion and Standards (4)(a-c)

Response:
Premier Medical Group, PC is requesting the move of its current CON located at 2831 Wilma Rudolph Blvd., Clarksville, TN 37040 to a new location, currently under construction, at 490 Dunlop Lane, Clarksville, TN 37040.

SECTION C: GENERAL CRITERIA FOR CERTIFICATE OF NEED

NEED

2. Describe the relationship of this project to the applicant facility's long-range development plans, if any.

Response:

Premier Medical Group, PC currently has a CON located at 2831 Wilma Rudolph Blvd., Clarksville, TN 37040. The Board of Directors at Premier Medical Group, PC embarked four years ago on planning a new facility at 490 Dunlop Lane, Clarksville, TN 37040 in a large, physician owned medical office building. The first phase of the new building is scheduled for completion the end of 2015 for a move in date of January 2016. The current lease for the location of the MRI and CON expires February 29, 2016. Four years ago, the Physician Board and Shareholders of Premier Medical Group, PC determined it was in the best interest of the business, patient access and long term cost for facilities to build and occupy their own facilities. This project will be completed at the end of 2015, making it necessary to move the Imaging Department for Premier Medical Group, PC, including the MRI and CON, to the new facility location.

SECTION C: GENERAL CRITERIA FOR CERTIFICATE OF NEED

NEED

3. Identify the proposed service area and justify the reasonableness of that proposed area. Submit a county level map including the State of Tennessee clearly marked to reflect the service area. **Please submit the map on 8 ½" x 11" sheet of white paper marked only with ink detectable by a standard photocopier (i.e., no highlighters, pencils, etc.).**

Response:

The actual existing service area for Premier Medical Group, PC and the group's current MRI and CON is all existing Premier Medical Group, PC patients and Montgomery County, Tennessee (See Attachment – Page #157). The vast majority of the group's established patients reside in ZIP Codes within Montgomery County, Tennessee (See Attachment – Pages#158 - 161). We do not see our service area changing because of the move to the new location. The new location will actually provide more visibility and ease of access to Premier Medical Group, PC physicians being located in one facility. The MRI under this CON is used only for services to existing Premier Medical Group patients.

SECTION C: GENERAL CRITERIA FOR CERTIFICATE OF NEED

NEED

4. A. Describe the demographics of the population to be served by this proposal.

Response:
The demographics of Premier Medical Group, PC's population is as follows:

Age range of those patients (See Attachment – Pages #162 - 163)
Sex of those patients (See Attachment – Page #164)
Ethnicity of those patients (See Attachment – Page #165)

B. Describe the special needs of the service area population, including health disparities, the accessibility to consumers, particularly the elderly, women, racial and ethnic minorities, and low-income groups. Document how the business plans of the facility will take into consideration the special needs of the service area population.

Response:
Montgomery County, while not classified as an underserved area for Primary Care, is severely underserved for Primary Care. Premier Medical Group, PC, with the expansion to the new location, will be able to address the expansion of new Primary Care providers for residents of Montgomery County. Premier Medical Group, PC has an aggressive recruiting plan for 2015 and 2016 to bring more Primary Care physicians into the market.

Premier Medical Group, PC has no knowledge of or information on health disparities within Montgomery County.

The new location of Premier Medical Group, PC and the MRI/CON will be located at 490 Dunlop Lane, Clarksville, TN 37040. This is a very visible and accessible location to all locations within Montgomery County.

Premier Medical Group, PC's service mix is made up by 22.6% Medicare, 7.23% TennCare and 13.12% TriCare.

Premier Medical Group, PC puts no barriers to anyone in Montgomery County.

Premier Medical Group, PC has an open panel approach to patients seeking care.

Continued

Section C: General Criteria For Certificate of Need

NEED

4. B.

   (See Attachment – Page #166 - 168)

SECTION C: GENERAL CRITERIA FOR CERTIFICATE OF NEED

NEED

5. Describe the existing or certified services, including approved but unimplemented CONs, of similar institutions in the service area. Include utilization and/or occupancy trends for each of the most recent three years of data available for this type of project. Be certain to list each institution and its utilization and/or occupancy individually. Inpatient bed projects must include the following data; admissions or discharges, patient days, and occupancy. Other projects should use the most appropriate measures, e.g., cases, procedures, visits, admissions, etc.

Response:

The MRI CON facilities known to Premier Medical Group, PC are as follows:

1. **Gateway Medical Center - 651 Dunlop Lane, Clarksville, TN 37040**
2. **Clarksville Imaging Center – 2320 Wilma Rudolph Blvd., Clarksville, TN 37040**
3. **Bone and Joint Group – 980 Professional Drive, Clarksville, TN 37040**
   Mobile MRI Services, LLC – Premier Radiology
4. **TOA MRI - 141 Hillcrest Drive, Clarksville, TN 37043**

(See Attachment – Page #169)

SECTION C: GENERAL CRITERIA FOR CERTIFICATE OF NEED

NEED

6. Provide applicable utilization and/or occupancy statistics for your institution for each of the past three (3) years and the projected annual utilization for each of the two (2) years following completion of the project. Additionally, provide the details regarding the methodology used to project utilization. The methodology **must include** detailed calculations or documentation from referral sources, and identification of all assumptions.

Response:
Premier Medical Group, PC utilization rates are as follows for the past three (3) years for MRI services for the Premier Medical Group, PC MRI CON equipment: (See Attachment – Pages #170 - 171)

The projected annual utilization for 2016 and 2017 are as follows:
The reason for the projected increase in utilization is due to the growth of Premier Medical Group, PC adding new physicians to address the primary care and specialty needs of the Premier Medical Group, PC service area (See Attachment – Page #172).

The methodology for projecting utilization after moving to the new facility is based upon average MRIs ordered per patient visit. (See list of referrals to the Premier Medical Group, PC MRI service over the last 12 months – by physician – See Attachment – Page #172 (a.). Using these calculations, based upon the average number of MRIs ordered per patient visit, projects what our growth and MRI needs are for the future. Keep in mind that Premier Medical Group, PC's MRI CON is only used for established patients with Premier Medical Group, PC providers.

SECTION C: GENERAL CRITERIA FOR CERTIFICATE OF NEED

ECONOMIC FEASIBILITY

1. Provide the cost of the project by completing the Project Costs Chart on the following page. Justify the cost of the project.

    - All projects should have a project cost of at least $3,000 on Line F. (Minimum CON Filing Fee). CON filing fee should be calculated from Line D. (See Application Instructions for Filing Fee)

    - The cost of any lease (building, land, and/or equipment) should be based on fair market value or the total amount of the lease payments over the initial term of the lease, whichever is greater. Note: This applies to all equipment leases including by procedure or "per click" arrangements. The methodology used to determine the total lease cost for a "per click" arrangement must include, at a minimum, the projected procedures, the "per click" rate and the term of the lease.

    - The cost for fixed and moveable equipment includes, but is not necessarily limited to, maintenance agreements covering the expected useful life of the equipment; federal, state, and local taxes and other government assessments; and installation charges, excluding capital expenditures for physical plant renovation or in-wall shielding, which should be included under construction costs or incorporated in a facility lease.

    - For projects that include new construction, modification, and/or renovation; **documentation must be** provided from a contractor and/or architect that support the estimated construction costs.

Response:
See completed Project Costs Chart – Page #26 / (Attachment – Page # 173)

PROJECT COSTS CHART

A.	Construction and equipment acquired by purchase:	
1.	Architectural and Engineering Fees	-0-
2.	Legal, Administrative (Excluding CON Filing Fee), Consultant Fees	$5,000
3.	Acquisition of Site	-0-
4.	Preparation of Site	-0-
5.	Construction Costs	-0-
6.	Contingency Fund	-0-
7.	Fixed Equipment (Not included in Construction Contract)	-0-
8.	Moveable Equipment (List all equipment over $50,000)	-0-
9.	Other (Specify) _____	-0-
B.	Acquisition by gift, donation, or lease:	
1.	Facility (inclusive of building and land)	-0-
2.	Building only (Lease Payments)	$2,576,063
3.	Land only	-0-
4.	Equipment (Specify) (MRI 1.5T GE)	$891,060
5.	Other (Specify) _____	-0-
C.	Financing Costs and Fees:	
1.	Interim Financing	-0-
2.	Underwriting Costs	-0-
3.	Reserve for One Year's Debt Service	-0-
4.	Other (Specify) (Maintenance)	$579,000
D.	Estimated Project Cost (A+B+C)	$4,051,123
E.	CON Filing Fee	$9,115
F.	Total Estimated Project Cost (D+E) **TOTAL**	$4,060,238

SECTION C: GENERAL CRITERIA FOR CERTIFICATE OF NEED

ECONOMIC FEASIBILITY

2. Identify the funding sources for this project.

Please check the applicable items (s) below and briefly summarize how the project will be financed. **(Documentation for the type of funding MUST be inserted at the end of the application. In the correct alpha/numeric order and identified as Attachment C. Economic Feasibility-2).**

_____ A. Commercial loan—Letter from lending institution or guarantor stating favorable initial contact, proposed loan amount, expected interest rates, anticipated term of the loan, and any restrictions or conditions.

_____ B. Tax-exempt bonds—Copy of preliminary resolution or a letter from the issuing authority stating favorable initial contact and a conditional agreement from an underwriter or investment banker to proceed with the issuance;

_____ C. General obligation bonds—Copy of resolution from issuing authority or minutes from the appropriate meeting.

_____ D. Grants—Notification of intent form for grant application or notice of grant award; or

X E. Cash Reserves—Appropriate documentation from Chief Financial Officer.

X F. Other—Identify and document funding from all other sources.
(See Lease – Pages 174-197)

SECTION C: GENERAL CRITERIA FOR CERTIFICATE OF NEED

ECONOMIC FEASIBILITY

3. Discuss and document the reasonableness of the proposed project costs. If applicable, compare the cost per square foot of construction to similar projects recently approved by the Health Services and Development Agency.

Response:
Premier Medical Group will be leasing the new facility, currently under construction, from Premier Development Group, LLC (See Attachment – Pages #174 - 197). The lease rate for the facility is at market rate. The MRI equipment will be leased from GE Capital. Premier Medical Group, PC, after reviewing proposals from several vendors of MRI equipment and negotiating cost, service and lease agreements, ultimately chose GE Capital as the equipment provider and lease equipment provider (See Attachment – Pages #198 - 205). Also, in projecting cost for the following two years, due to negotiating maintenance cost, the actual cost to provide MRI services go down Year One and Year Two in the new facility.

SECTION C: GENERAL CRITERIA FOR CERTIFICATE OF NEED

ECONOMIC FEASIBILITY

4. Complete Historical and Projected Data Charts on the following two pages—**Do not modify the Charts provided or submit Chart substitutions!** Historical Data Chart represents revenue and expense information for the last three (3) years for which complete data is available for the institution. Projected Data Chart requests information for the two (2) years following the completion of this proposal. Projected Data Chart should reflect revenue and expense projections for the **Proposal Only** (i.e., if the application is for additional beds, include anticipated revenue from the proposed beds only, not from all beds in the facility).

Response:
See Required Completed Charts (page 30-31) (Attachment – Pages #206 – 207)

HISTORICAL DATA CHART

Give information for the last *three (3)* years for which complete data are available for the facility or agency. The fiscal year begins in **January** (Month).

	Year 2012	Year 2013	Year 2014
A. Utilization Data (Specify unit of measure)	1,426	1,386	1,451
B. Revenue from Services to Patients			
1. Inpatient Services	$ -0-	$ -0-	$ -0-
2. Outpatient Services	$1,842,787	$1,836,055	$1,865,144
3. Emergency Services	$ -0-	$ -0-	$ -0-
4. Other Operating Revenue (Specify)_____	$ -0-	$ -0-	$ -0-
Gross Operating Revenue	$1,842,787	$1,836,055	$1,865,144
C. Deductions from Gross Operating Revenue			
1. Contractual Adjustments	$(831,923)	$(901,623)	$ (993,724)
2. Provision for Charity Care	$ -0-	$ -0-	$ -0-
3. Provisions for Bad Debt	$ (92,139)	$ (91,803)	$ (93,257)
Total Deductions	$(924,062)	$(993,426)	$(1,086,981)
NET OPERATING REVENUE	$ 918,725	$ 842,629	$ 778,163
D. Operating Expenses			
1. Salaries and Wages	$100,370	$103,182	$107,025
2. Physician's Salaries and Wages	$183,739	$168,526	$155,632
3. Supplies	$ 12,595	$ 12,055	$ 14,795
4. Taxes	$ -0-	$ 1,700	$ 2,050
5. Depreciation	$ -0-	$ -0-	$ -0-
6. Rent	$ 32,173	$ 28,515	$ 34,513
7. Interest, other than Capital	$ -0-	$ -0-	$ -0-
8. Management Fees:			
a. Fees to Affiliates	$ -0-	$ -0-	$ -0-
b. Fees to Non-Affiliates	$ -0-	$ -0-	$ -0-
9. Other Expenses (Specify): Telephone, Maintenance, Share of Imaging Staff, Group Overhead Allocation & Billing Costs	$276,786	$249,901	$306,738
Total Operating Expenses	$605,663	$563,879	$620,752
E. Other Revenue (Expenses) – Net (Specify)	$ -0-	$ -0-	$ -0-
NET OPERATING INCOME (LOSS)	$313,061	$278,750	$157,410
F. Capital Expenditures			
1. Retirement of Principal	$ 87,897	$ 93,272	$ 98,975
2. Interest	$ 22,371	$ 16,855	$ 11,093
Total Capital Expenditures	$110,268	$110,127	$110,068
NET OPERATING INCOME (LOSS) LESS CAPITAL EXPENDITURES	$202,793	$168,623	$ 47,343

PROJECTED DATA CHART

Give information for the two (2) years following the completion of this proposal. The fiscal year begins in January (Month).

	Year 2015	Year 2016
A. Utilization Data (Specify unit of measure)	1,469	1,488
B. Revenue from Services to Patients		
1. Inpatient Services	$ -0-	$ -0-
2. Outpatient Services (Charges	1,917,323	1,941,290
3. Emergency Services	-0-	-0-
4. Other Operating Revenue (Specify)_____	-0-	-0-
Gross Operating Revenue	$ 1,917,323	$ 1,941,290
C. Deductions from Gross Operating Revenue		
1. Contractual Adjustments	$(1,129,660)	$ (1,143,439)
2. Provision for Charity Care	-0-	-0-
3. Provision for Bad Debt		
Total Deductions	$(1,129,660)	$ (1,143,439)
NET OPERATING REVENUE	$ 787,663	$ 797,851
D. Operating Expenses		
1. Salaries and Wages	$ 110,236	$ 113,543
2. Physician's Salaries and Wages	157,533	159,570
3. Supplies	15,238	15,696
4. Taxes	2,050	2,050
5. Depreciation	-0-	-0-
6. Rent	35,203	58,000
7. Interest, other than Capital	-0-	-0-
8. Management Fees:		
a. Fees to Affiliates	-0-	-0-
b. Fees to Non-Affiliates	-0-	-0-
9. Other Expenses (Specify) _____	306,738	114,975
Total Operating Expenses	$ 626,998	$ 463,834
E. Other Revenue (Expenses) – Net (Specify)	$ -0-	$ -0-
NET OPERATING INCOME (LOSS)	$ 160,665	$ 334,017
F. Capital Expenditures		
1. Retirement of Principal	$ 105,028	$ 169,556
2. Interest	5,000	4,333
Total Capital Expenditures	$ 110,028	$ 173,889
NET OPERATING INCOME (LOSS) LESS CAPITAL EXPENDITURES	$ 50,637	$ 160,128

SECTION C: GENERAL CRITERIA FOR CERTIFICATE OF NEED

ECONOMIC FEASIBILITY

5. Please identify the project's average gross charge, average deduction from operating revenue, and average net charge.

Response:
(See Attachment – Page #208)

SECTION C: GENERAL CRITERIA FOR CERTIFICATE OF NEED

ECONOMIC FEASIBILITY

6. A. Please provide the current and proposed charge schedules for the proposal. Discuss any adjustment to current charges that will result from the implementation of the proposal. Additionally, describe the anticipated revenue from the proposed project and the impact on existing patient charges.

Response:
The current and proposed charge schedule for Premier Medical Group, PC MRIs: (See Attachment – Pages #209 - 210). There is no change after the relocation of the MRI CON to the new facility. Premier Medical Group, PC does not project any anticipated revenue changes due to the proposed project of moving the MRI CON to the new location. The reason for not projecting changes is physician reimbursement for the last several years has been flat from all carriers including Commercial, Medicare, TennCare and TriCare. Premier Medical Group, PC is unable to obtain charges and contracts from other MRI facilities in the market. Typically, commercial contracts are confidential for reimbursement to providers of any services.

B. Compare the proposed charges to those of similar facilities in the service area/adjoining service areas, or to proposed charges of projects recently approved by the Health Services and Development Agency. If applicable, compare the proposed charges of the project to the current Medicare allowable fee schedule by common procedure terminology (CPT) codes(s).

Response:
(See Attachment – Page # 211)

SECTION C: GENERAL CRITERIA FOR CERTIFICATE OF NEED

ECONOMIC FEASIBILITY

7. Discuss how projected utilization rates will be sufficient to maintain cost-effectiveness.

Response:

The history of the Premier Medical Group, PC MRI studies justifies the current and the future cost effectiveness of moving the CON to the new location. Additionally, with the expansion of physicians at Premier Medical Group, PC it is projected, based upon the previously discussed formula, that MRI services will increase based upon this formula. Based upon the contracts negotiated with GE and the increase in volume, the cost effectiveness in the future should continue. This is based upon current charges and reimbursement rate plus growth in number of physicians in Premier Medical Group, PC.

SECTION C: GENERAL CRITERIA FOR CERTIFICATE OF NEED

ECONOMIC FEASIBILITY

8. Discuss how financial viability will be ensured within two years; and demonstrate the availability of sufficient cash flow until financial viability is achieved.

Response:
(See Attachment – Page #212)

SECTION C: GENERAL CRITERIA FOR CERTIFICATE OF NEED

ECONOMIC FEASIBILITY

9. Discuss the project's participation in state and federal revenue programs including a description of the extent to which Medicare, TennCare/Medicaid and medically indigent patients will be served by the project. In addition, report the estimated dollar amount of revenue and percentage of total project revenue anticipated from each of TennCare, Medicare or other state and federal sources for the proposal's first year of operation.

Response:

Premier Medical Group, PC as a whole and the MRI services under CON (#CN9909-082A) currently participate in Medicare, TennCare/Medicaid, TriCare and patients with and without Commercial insurance within the market area. Historically, Premier Medical Group, PC has seen revenue from Medicare, TennCare, TriCare and other federal sources as follows: (See Attachment – Page # 213).

Premier Medical Group, PC does not anticipate this mix of revenue to change.

SECTION C: GENERAL CRITERIA FOR CERTIFICATE OF NEED

ECONOMIC FEASIBILITY

10. Provide copies of the balance sheet and income statement from the most recent reporting period of the institution and the most recent audited financial statements with accompanying notes, if applicable. For new projects, provide financial information for the corporation, partnership, or principal parties involved with the project. Copies must be inserted at the end of the application, in the correct alpha-numeric order and labeled as Attachment C, Economic Feasibility-10.

Response:
(See Attachment – Pages 214 - 246)
Policy of Board of Directors of Premier Medical Group, PC is to have audit every three years with a review only for years in between. 2014 Audited Statements are expected to be available by May 31, 2015.

SECTION C: GENERAL CRITERIA FOR CERTIFICATE OF NEED

ECONOMIC FEASIBILITY

11. Describe all alternatives to this project which were considered and discuss the advantages and disadvantages of each alternative including but not limited to:

    a. A discussion regarding the availability of less costly, more effective, and/or more efficient alternative methods of providing the benefits intended by the proposal. If development of such alternatives is not practicable, the applicant should justify why not; including reasons as to why they were rejected.

Response:
As discussed previously, Premier Medical Group, PC, as a strategic need, made the decision several years ago to move all physicians into one location so that patients could access all physicians easily within that one location. Along with this decision to move, it also becomes necessary to move the MRI and the MRI CON to the new location at 490 Dunlop Lane, Clarksville, TN 37040.

    b. The applicant should document that consideration has been given to alternatives to new construction, e.g., modernization or sharing arrangements. It should be documented that superior alternatives have been implemented to the maximum extent practicable.

Response:
There are no other cost effective, patient convenient alternatives since Premier Medical Group, PC is moving to the new location. It would be much more costly and patient access ability would be much less if the MRI was left at a separate location. As a point in fact, Premier Medical Group, PC, according to TN State MRI date (See Attachment – Pages #247 - 248) is the low cost provider of MRI services in Montgomery County, TN.

SECTION C: GENERAL CRITERIA FOR CERTIFICATE OF NEED

CONTRIBUTION TO THE ORDERLY DEVELOPMENT OF HEALTH CARE

1. List all existing health care providers (e.g., hospitals, nursing homes, home care organization, etc.) managed care organizations, alliances, and/or networks with which the applicant currently has or plans to have contractual and/or working relationships, e.g., transfer agreements, contractual agreements for health services.

Response:

The physicians of Premier Medical Group, PC have Community and Full privileges at Gateway Medical Center. Some pediatricians have a relationship with Vanderbilt Hospital for extreme needs of admitting critically ill patients at Vanderbilt. Premier Medical Group, PC has managed care contracts with most commercial carriers, Medicare, TennCare and TriCare.

SECTION C: GENERAL CRITERIA FOR CERTIFICATE OF NEED

CONTRIBUTION TO THE ORDERLY DEVELOPMENT OF HEALTH CARE

2. Describe the positive and/or negative effects of the proposal on the health care system. Please be sure to discuss any instances of duplication or competition arising from your proposal including a description of the effect the proposal will have on the utilization rates of existing providers in the service area of the project.

Response:

Premier Medical Group, PC does not see a negative impact on the healthcare system by moving the current Premier Medical Group, PC MRI and CON to the new location. While we acknowledge there are four other MRI CONs in the Premier Medical Group, PC market, we have demonstrated over the last years the volume of studies done at Premier Medical Group, PC's facility and the cost effectiveness of those rates that Premier Medical Group, PC is the low cost provider of MRI services in Montgomery County, TN. Premier Medical Group, PC bills under a global Tax ID. Within that global is reimbursement for the technical side and the professional side which is all incorporated within the services of Premier Medical Group, PC. Again, Premier Medical Group, PC is proposing simply a move of the MRI CON to a new location at 490 Dunlop Lane, Clarksville, TN 37040. It is not felt to have any negative impact on the healthcare system.

SECTION C: GENERAL CRITERIA FOR CERTIFICATE OF NEED

CONTRIBUTION TO THE ORDERLY DEVELOPMENT OF HEALTH CARE

3. Provide the current and/or anticipated staffing pattern for all employees providing patient care for the project. This can be reported using FTEs for these positions. Additionally, please compare the clinical staff salaries in the proposal to prevailing wage patterns in the service area as published by the Tennessee Department of Labor & Workforce Development and/or other documented sources.

Response:

The following is the current and anticipated staffing pattern for the MRI at the current location and the new location: (See Attachment – Pages #249 - 253).

SECTION C: GENERAL CRITERIA FOR CERTIFICATE OF NEED

CONTRIBUTION TO THE ORDERLY DEVELOPMENT OF HEALTH CARE

4. Discuss the availability of and accessibility to human resources required by the proposal, including adequate professional staff, as per the Department of Health, the Department of Mental Health and Developmental Disabilities, and/or the Division of Mental Retardation Services licensing requirements.

Response:

The current Premier Medical Group, PC MRI CON is currently staffed and all of the staff will be moving to the new location. It is not anticipated that there will be any issues with the professional staff.

SECTION C: GENERAL CRITERIA FOR CERTIFICATE OF NEED

CONTRIBUTION TO THE ORDERLY DEVELOPMENT OF HEALTH CARE

5. Verify that the applicant has reviewed and understands all licensing certification as required by the State of Tennessee for medical/clinical staff. These include, without limitation, regulations concerning physician supervision, credentialing, admission privileges, quality assurance policies and programs, utilization review policies and programs, record keeping, and staff education.

Response:

Premier Medical Group, PC currently has a CON for MRI services (CON # CN9909-082A). Premier Medical Group, PC employs currently one radiologist, Jeffrey Wade, MD (TN State Medical License #33993) and has recruited a second radiologist, Dr. Kevin Preston, with an anticipated arrival date of August 1, 2015. Currently, the Premier Medical Group, PC MRI services are operated under the regulations under the State of Tennessee and full policy and procedure programs approved by ACR Accreditation. Currently, the Premier Medical Group, PC MRI is certified for the following services under ACR Accreditation: (See Attachment – Page # 254).

SECTION C: GENERAL CRITERIA FOR CERTIFICATE OF NEED

CONTRIBUTION TO THE ORDERLY DEVELOPMENT OF HEALTH CARE

6. Discuss your health care institution's participation in the training of students in the areas of medicine, nursing, social work, etc. (e.g., internships, residencies, etc.).

Response:
Not Applicable (NA)

SECTION C: GENERAL CRITERIA FOR CERTIFICATE OF NEED

CONTRIBUTION TO THE ORDERLY DEVELOPMENT OF HEALTH CARE

7. (a) Please verify, as applicable, that the applicant has reviewed and understands the licensure requirements of the Department of Health, the Department of Mental Health and Developmental Disabilities, the Division of Mental Retardation Services, and/or any applicable Medicare requirements.

Response:

Currently, Premier Medical Group, PC MRI/CON follows all licensure requirements of the Department of Health, Department of Mental Health and Developmental Disabilities, the Division of Mental Retardation Services and any applicable Medicare requirements. We do not anticipate any change with relocating the MRI CON to the new location.

(b) Provide the name of the entity from which the applicant has received or will receive licensure, certification, and/or accreditation.

Certification:

Response:

Premier Medical Group, PC - Facility Certification #12265.

Accreditation:

Response:

The current Premier Medical Group, PC CON is accredited thru the American College of Radiology for MRI services.
The supervising physician is Jeffrey Wade, M.D. – Tennessee Medical License #33993.

(c) If an existing institution, please describe the current standing with any licensing, certifying, or accrediting agency. Provide a copy of the current license of the facility.

Response:

Premier Medical Group, PC has a current MRI CON with:
Facility Certification - #06355-01 (See Attachment – Page # 255)
Accrediting Agency: American College of Radiology

(d) For existing licensed providers, document that all deficiencies (if any) cited in the last licensure certification and inspection have been addressed through an approved plan of correction. Please include a copy of the most recent licensure/certification inspection with an approved plan of correction.

CONTINUED:

SECTION C: GENERAL CRITERIA FOR CERTIFICATE OF NEED

CONTRIBUTION TO THE ORDERLY DEVELOPMENT OF HEALTH CARE

7. (d)

Response:
We have attached a copy of the last ACR Accreditation report. In addition, there is a copy of the approved correction plan. The correction plan has now been completed and we have received full accreditation from ACR. (See attached certificate – (See Attachment – Pages #256 - 313).

SECTION C: GENERAL CRITERIA FOR CERTIFICATE OF NEED

CONTRIBUTION TO THE ORDERLY DEVELOPMENT OF HEALTH CARE

8. Document and explain any final orders or judgments entered in any state or country by a licensing agency or court against professional licenses held by the applicant or any entities or persons with more than a 5% ownership interest in the applicant. Such information is to be provided for licenses regardless of whether such license is currently held.

Response:
None.

SECTION C: GENERAL CRITERIA FOR CERTIFICATE OF NEED

CONTRIBUTION TO THE ORDERLY DEVELOPMENT OF HEALTH CARE

9. Identify and explain any final civil or criminal judgments for fraud or theft against any person or entity with more than a 5% ownership interest in the project.

Response:
None.

SECTION C: GENERAL CRITERIA FOR CERTIFICATE OF NEED

CONTRIBUTION TO THE ORDERLY DEVELOPMENT OF HEALTH CARE

10. If the proposal is approved, please discuss whether the applicant will provide the Tennessee Health Services and Development Agency and/or the reviewing agency information concerning the number of patients treated, the number and type of procedures performed, and other data as required.

Response:

Premier Medical Group, PC currently operates an MRI with a TN CON (#CN9909-082A). We currently provide all information as required by the State of Tennessee. We do not see that changing with the move to the new location.

PROOF OF PUBLICATION

Attach the full page of the newspaper in which the notice of intent appeared with the mast and dateline intact or submit a publication affidavit from the newspaper as proof of the publication of the letter of intent.

Response:
(See Attachment – Page # 51, 51 (a.) and 51 (b.)

Text of Ad:

0000438572

NOTIFICATION OF INTENT TO APPLY FOR A CERTIFICATE OF NEED

This is to provide official notice to the Health Services and Development Agency and all interested parties, in accordance with T.C.A. § 68-11-1601 et seq., and the Rules of the Health Services and Development Agency, that:

Premier Medical Group, P.C., Current CON: CN9909-082A owned by: Premier Medical Group, P.C. with an ownership type of Corporation and to be managed by: Premier Medical Group, P.C. intends to file an application for a Certificate of Need for CON: CN9909-082A move from current location to new leased location, 490 Dunlop Lane, Clarksville, TN. MRI equipment under current CON will be replaced with new MRI equipment at new location.

The anticipated date of filing the application is May 5, 2015

The contact person for this project is Lloyd E. Matson, Chief Administrator who may be reached at: Premier Medical Group, P.C., P. O. Box 3799, Clarksville TN 37043 (931) 245-7001

Upon written request by interested parties, a local Fact-Finding public hearing shall be conducted. Written requests for hearing should be sent to:

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

The published Letter of Intent must contain the following statement pursuant to T.C.A. § 68-11-1607(c)(1). (A) Any health care institution wishing to oppose a Certificate of Need application must file a written notice with the Health Services and Development Agency no later than fifteen (15) days before the regularly scheduled Health Services and Development Agency meeting at which the application is originally scheduled; and (B) Any other person wishing to oppose the application must file written objection with the Health Services and Development Agency at or prior to the consideration of the application by the Agency.

tn media
A GANNETT COMPANY

Order Confirmation for Ad #: 0000438572

Customer: PREMIER MEDICAL GROUP (LEG
Address: 1850 BUSINESS PARK DR STE
CLARKSVILLE TN 37040 USA
Acct. #: NAS-00514301
Phone: 9312457002
EMail:
Payor: PREMIER MEDICAL GROUP (LEG
Ordered By: NAS-Bates

OrderStart Date: 05/05/2015 **Order End Date: 05/05/2015**

Tear Sheets	Affidavits	Blind Box	Promo Type	Materials	Special Pricing
1	1				

Net Amount	Tax Amount	Total Amount	Payment Method	Payment Amount	Amount Due
$327.08	$0.00	$327.08	Invoice	$0.00	$327.08

Ad Order Notes:
Sales Rep: hhayward **Order Taker:** lbates

Product	# Ins	Start Date	End Date	Run Dates
NAS-Leaf Chronicle	1	05/05/2015	05/05/2015	
NAS-Leafchronicle.com	1	05/05/2015	05/05/2015	

51 (a.)

Clarksville Leaf Chronicle Clarksville Leaf Chronicle (3-clrbrd_leafchron_05-05-2015_b_d_002.pdf.0)
05/05/2015 E: Community Page D02

0000438572

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May 5, 2015 Powered by TECNAVIA

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DEVELOPMENT SCHEDULE

Tennessee Code Annotated § 66-11-1609(c) provides that a Certificate of Need is valid for a period not to exceed three (3) years (for hospital projects) or two (2) years (for all other projects) from the date of its issuance and after such time shall expire; provided, that the Agency may, in granting the Certificate of Need, allow longer periods of validity for Certificates of Need for good cause shown. Subsequent to granting the Certificate of Need, the Agency may extend a Certificate of Need for a period upon application and good cause shown, accompanied by a non-refundable reasonable filing fee, as prescribed by rule. A Certificate of Need which has been extended shall expire at the end of the extended time period. The decision whether to grant such an extension is within the sole discretion of the Agency, and is not subject to review, reconsideration, or appeal.

1. **Please complete the Project Completion Forecast Chart on the next page. If the project will be completed in multiple phases, please identify the anticipated completion date for each phase.**

Response
(See Project Completion Forecast Chart – Page #53)

PROJECT COMPLETION FORECAST CHART

Enter the Agency projected initial decision date, as published in T.C.A. § 68-11-1609(c): _____

Assuming the CON approval becomes the final agency action on that **date**; indicate the number of days **from the above agency decision date** to each phase of the completion forecast.

Phase	**DAYS REQUIRED**	**Anticipated Date (MONTH/YEAR)**
1. Architectural and engineering contract signed	_____	May 2013
2. Construction documents approved by the Tennessee Department of Health	_____	N/A
3. Construction contract signed	_____	February 2013
4. Building permit secured	_____	October 2014
5. Site preparation completed	_____	November 2014
6. Building construction commenced	_____	November 2014
7. Construction 40% complete	_____	May 30, 2015
8. Construction 80% complete	_____	August 30, 2015
9. Construction 100% complete (approved for occupancy	_____	November 30, 2015
10. *Issuance of license	_____	?
11. *Initiation of service	_____	Not later than: February 1, 2016
12. Final Architectural Certification of Payment	_____	?
13. Final Project Report Form (HF0055)	_____	?

* **For projects that do NOT involve construction or renovations: Please complete items 10 and 11 only.**

Note: If litigation occurs, the completion forecast will be adjusted at the time of the final determination to reflect the actual issue date.

DEVELOPMENT SCHEDULE

Tennessee Code Annotated § 66-11-1609(c) provides that a Certificate of Need is valid for a period not to exceed three (3) years (for hospital projects) or two (2) years (for all other projects) from the date of its issuance and after such time shall expire; provided, that the Agency may, in granting the Certificate of Need, allow longer periods of validity for Certificates of Need for good cause shown. Subsequent to granting the Certificate of Need, the Agency may extend a Certificate of Need for a period upon application and good cause shown, accompanied by a non-refundable reasonable filing fee, as prescribed by rule. A Certificate of Need which has been extended shall expire at the end of the extended time period. The decision whether to grant such an extension is within the sole discretion of the Agency, and is not subject to review, reconsideration, or appeal.

2. **If the response to the preceding question *indicates that the applicant does not anticipate completing the project within the period of validity as defined in the preceding paragraph*, please state below any request for an extended schedule and document the "good cause" for such an extension.**

Response:

N/A

FILED

CHARTER

OF

PREMIER MEDICAL GROUP, P.C.

The undersigned, acting as the incorporator of a corporation under the Tennessee Business Corporation Act and the Tennessee Professional Corporation Act, adopts the following Charter for such corporation:

1. The name of the corporation is PREMIER MEDICAL GROUP, P.C.

2. The corporation is authorized to issue the following shares of capital stock:

A. Twenty thousand (20,000) shares of Class A common stock, which shall have a par value of Ten Dollars ($10.00) per share. These Class A shares together shall have unlimited voting rights and full and equal rights to share in the profits of the corporation and its net assets upon dissolution, subject to the other provisions of this Section 2. All voting rights are held and vested in the Class A shares, and neither the Class B shares nor the Class C shares shall have any voting rights.

B. Ten million (10,000,000) shares of Class B common stock, which shall have a par value of One Dollar ($1.00) per share. These Class B shares shall have no voting rights and shall have no rights to share in the profits of the corporation, in its net assets upon dissolution, or in any dividends or distribution or liquidation proceeds, except that each Class B share shall be entitled to be paid in full its par value (but no more) upon dissolution or liquidation of the corporation prior to any dissolution or liquidation distributions being made to Class A common stock or Class C common stock, but Class B shares shall thereafter be entitled to no further or other distributions.

C. Twenty thousand (20,000) shares of Class C common stock, which shall have no par value. These Class C shares shall have no voting rights and shall have no rights to share in the profits of the corporation, in its net assets upon dissolution, or in any dividends or distribution or liquidation proceeds, except that upon the dissolution or liquidation of the corporation, each Class C share shall be entitled to be paid in full an amount equal to:

(i) the net depreciated book value of all furniture, fixtures, equipment, capitalized leasehold improvements, and inventory of the corporation that are then shown on the books of the corporation and were actually purchased (and not acquired by merger) after January 1, 1995, **REDUCED BY**

(ii) any outstanding loans, payables or indebtedness then shown on the books of the corporation used to purchase (or to refinance the purchase of) such assets; **DIVIDED BY**

(iii) the number of shares of Class C common stock then shown as being issued and outstanding.

Such amount [(i - ii) ÷ iii] shall be paid prior to any dissolution or liquidation distributions being made to Class A common stock but after the dissolution or liquidation distributions are made to the Class B common stock. Once such amount is paid to a share of Class C stock, that share of Class C stock shall thereafter be entitled to no further or other distributions.

In no event should the cash or accounts receivable of the corporation be used or taken into consideration in computing (i) above or in computing the amount due to be paid to Class C shares upon dissolution or liquidation.

As used in (i) through (iii) above, "then shown" shall mean: as of the end of the calendar month just prior to (a) the beginning of the dissolution or liquidation of the corporation or (b) the filing of Articles of Dissolution for the corporation with the Tennessee Secretary of State, whichever is earlier, provided there has not been a material change in the difference between (i) and (ii) between the end of such calendar month and the date of (a) or (b), whichever is applicable. If there has indeed been a material change in the difference

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between (i) and (ii), then "then shown" shall mean: as of the date of (1) the actual beginning of the dissolution or liquidation of the corporation or (2) the actual filing of Articles of Dissolution, whichever is earlier. 19 PM 3:39

As used in (i) above, "inventory" shall include both office and medical supplies. If the corporation's inventory is not generally reflected on the applicable balance sheet of the corporation actually used in computing (i) (e.g., such inventory may normally be expensed and not shown as an asset), then notwithstanding the other provisions of this Section 2.C., the inventory to be used in computing (i) shall be: one-sixth (1/6) of the actual cost of inventory acquired (whether it was expensed or shown as an asset) during the twelve-month period ending as of the end of the calendar month just prior to (a) the beginning of the dissolution or liquidation of the corporation or (b) the filing of the Articles of Dissolution, whichever is earlier.

As used in this Section 2, "dissolution" shall not include or mean administrative dissolution by the Tennessee Secretary of State.

3. The street address of the initial registered office of the corporation is Third Floor, 230 Fourth Avenue, North, P. O. Box 198888, Nashville, Davidson County, Tennessee 37219-8888, and the initial registered agent for the corporation at that office is Jack W. Robinson, Jr.

4. The name and address of the incorporator are:

William Moore
2199 Memorial Drive
Clarksville, Tennessee 37043

5. The street address of the principal office of the corporation is Suite 203, 1803 Memorial Drive, Clarksville, Tennessee 37043.

6. The corporation is for profit.

7. The corporation is a professional corporation and elects professional corporation status.

8. The purpose of the corporation is to practice the profession of medicine and to render all types of professional medical services.

9. The corporation does not elect to have preemptive rights.

10. Action on the following matters may not be taken solely by the Board of Directors of the corporation or simply by a majority vote at a meeting of shareholders but requires an affirmative vote of two-thirds (2/3) of all issued and outstanding shares of Class A common stock for approval:

A. Amendment of the corporation's Charter or Bylaws, including without limitation any amendment to the Director election process, the Director slots, or the qualifications for Directors;

B. Dissolution, liquidation, sale or exchange of all or substantially all of the assets of the corporation, merger in which the corporation is not the surviving entity, or share exchange in which the corporation is not the surviving entity;

C. Amendment, change or modification of the corporation's physician's compensation plan;

D. Obtaining a loan greater than $250,000.00 or otherwise incurring debt or indebtedness greater than $250,000.00; and

E. Removing any one (1) or more Directors, with or without cause.

11. To the extent allowed by the laws of the State of Tennessee, no present or future director of the corporation (or his or her estate, heirs and personal representatives) shall be liable to the corporation or its shareholders for monetary damages for breach of fiduciary duty as a director of the corporation. Any liability of a director (or his or her estate, heirs and

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personal representatives) shall be further eliminated or limited to the fullest extent allowed by the laws of the State of Tennessee, as may hereafter be adopted or amended.

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12. With respect to claims or liabilities arising out of service as a director, officer or member of any committee of the corporation, the corporation shall indemnify and advance expenses to each present and future director, officer and committee member (and his or her estate, heirs and personal representatives) to the fullest extent allowed by the laws of the State of Tennessee, both as now in effect and as hereafter adopted or amended.

DATED this 16th day of December, 1994.

William Moore

William Moore, Incorporator

JOYCE B. NORFLEET
REGISTER OF DEEDS
MONTGOMERY, CO TN

12-22-1994 9:21

SATX _____ CF _____
SBTX _____ CF _____
RECORDING FEE 5.00
RECEIPT NO. 16798-005

Jack Robinson Esq

0025819.01

Secretary of State
Corporations Section
James K. Polk Building, Suite 1800
Nashville, Tennessee 37243-0306

ISSUANCE DATE: 09/10/1999
REQUEST NUMBER: 99253174
TELEPHONE CONTACT: (615) 741-6488

CHARTER/QUALIFICATION DATE: 12/19/1994
STATUS: ACTIVE
CORPORATE EXPIRATION DATE: PERPETUAL
CONTROL NUMBER: 0287794
JURISDICTION: TENNESSEE

TO:
WYATT TARRANT & COMBS
511 UNION STREET

NASHVILLE, TN 37243

REQUESTED BY:
WYATT TARRANT & COMBS
511 UNION STREET

NASHVILLE, TN 37243

CERTIFICATE OF EXISTENCE

I, RILEY C DARNELL, SECRETARY OF STATE OF THE STATE OF TENNESSEE DO HEREBY CERTIFY THAT

"PREMIER MEDICAL GROUP, P.C."

IS A CORPORATION DULY INCORPORATED UNDER THE LAW OF THIS STATE WITH DATE OF INCORPORATION AND DURATION AS GIVEN ABOVE;
THAT ALL FEES, TAXES, AND PENALTIES OWED TO THIS STATE WHICH AFFECT THE EXISTENCE OF THE CORPORATION HAVE BEEN PAID;
THAT THE MOST RECENT CORPORATION ANNUAL REPORT REQUIRED HAS BEEN FILED WITH THIS OFFICE; AND
THAT ARTICLES OF DISSOLUTION HAVE NOT BEEN FILED; AND
THAT ARTICLES OF TERMINATION OF CORPORATE EXISTENCE HAVE NOT BEEN FILED

FOR: REQUEST FOR CERTIFICATE

ON DATE: 09/10/99

FROM:
WYATT TARRANT & COMBS (NASHVILLE CITY CT
1500 NASHVILLE CITY
CENTER, 511 UNION
NASHVILLE, TN 37219-1750

	FEES	
RECEIVED:	$20.00	$0.00
TOTAL PAYMENT RECEIVED:		$20.00

RECEIPT NUMBER: 00002546864
ACCOUNT NUMBER: 00086973

Section A - Applicant Profile
Item #3

Riley C Darnell

RILEY C. DARNELL
SECRETARY OF STATE

SECTION A:

APPLICANT PROFILE

Item #4

Describe the existing or proposed ownership structure of the applicant, including an ownership structure organizational chart. Explain the corporate structure and the manner in which all entities of the ownership structure relate to the applicant. As applicable, identify the members of the ownership entity and each member's percentage of ownership, for those members with 5% or more ownership interest. In addition, please document the financial interest of the applicant, and the applicant's parent company/owner in any other health care institution as defined in Tennessee Code Annotated, §68-11-1602 in Tennessee. At a minimum, please provide the name, address, current status of licensure/certification, and percentage of ownership for each health care institution identified.

Response:

Premier Medical Group, PC is a Tennessee Professional Corporation. Premier Medical Group, PC is the owner of the existing MRI CON (#CN9909-082A). Premier Medical Group, PC has been in existence for 20 years and has 29 Shareholders (see copy of list of Premier Medical Group, PC Shareholders – Attachment - Pages #61). Premier Medical Group, PC has a Board of Directors made up of:

Jeffrey Anderson, M.D.	
Paul Darke, M.D.	
Jeffrey Hamre, D.O.	**(Vice President)**
Laurie Harris-Ford, M.D.	**(Treasurer)**
Giri Korivi, M.D.	
Joseph Kosinski, M.D.	**(Secretary)**
Peter Silkowski, M.D.	**(President)**

The Board of Directors is responsible to the Shareholders of Premier Medical Group, PC.

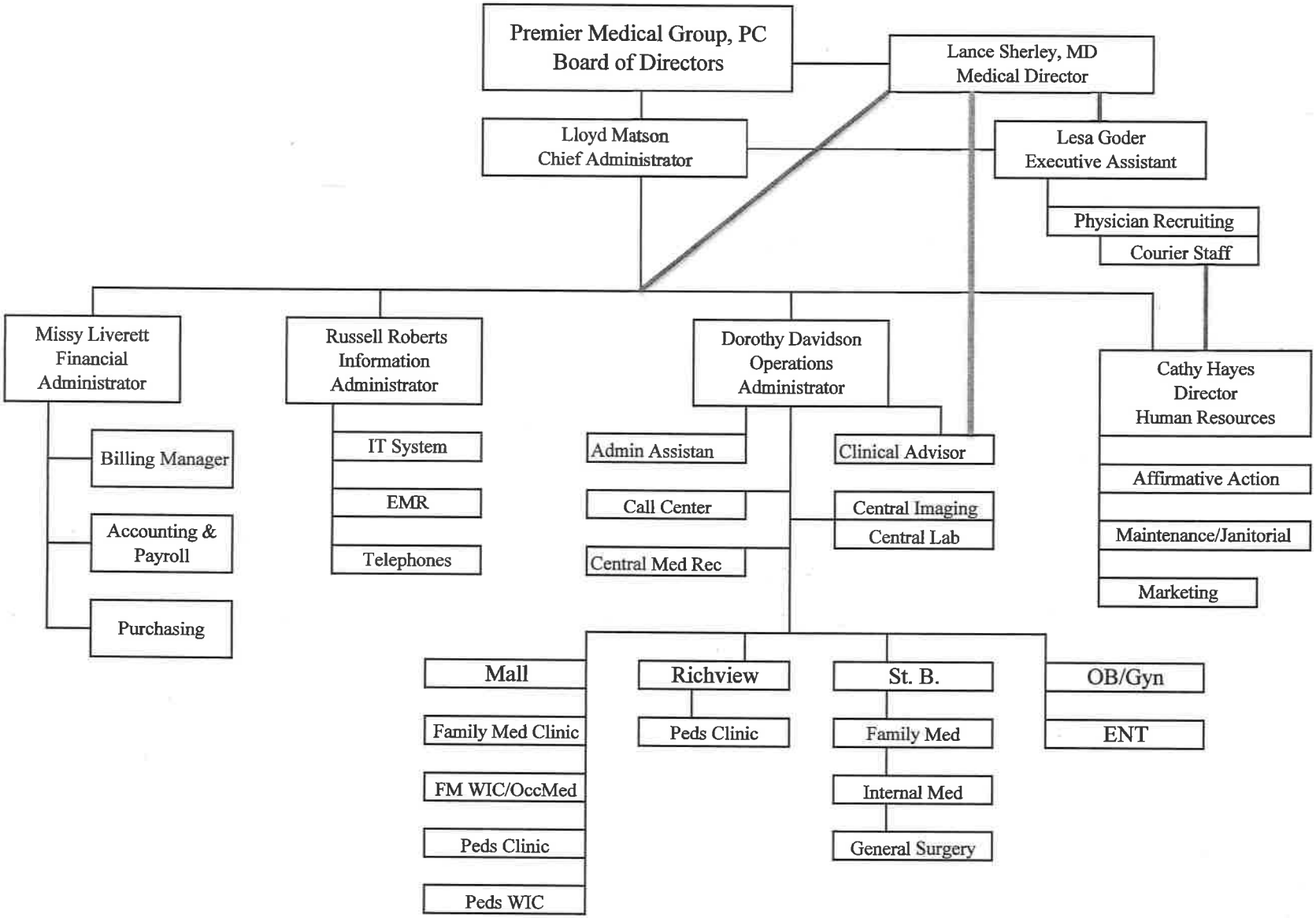
The MRI CON is operated in the Imaging Department of Premier Medical Group, PC. The Board of Directors has responsibility for operations of the equipment under the CON.

Premier Medical Group, PC owns 100% of the Premier Medical Group, PC MRI and the CON.

Premier Medical Group, PC

Organization Chart

As of October, 2013



Premier Medical Group - tax id 62-1586159
Shareholder List
As of July 1, 2014

Shareholder			Ownership
First	**Last**		**%**
Jeff	Anderson,	M.D.	3.45%
Ted	Brandon,	M.D.	3.45%
Tommy	Carman,	D.O.	3.45%
Vernon M.	Carrigan,	M.D.	3.45%
Cortney	Cabell,	M.D.	3.45%
Paul	Darke	M.D.	3.45%
Jeffrey	Hamre,	D.O.	3.45%
Laurie	Harris-Ford,	M.D.	3.45%
Deborah	Hellums,	M.D.	3.45%
David	Johnston	M.D.	3.45%
Robert	Kasper	M.D.	3.45%
Shawn	King	M.D.	3.45%
Giri	Korivi	M.D.	3.45%
Jyotsna	Korivi	M.D.	3.45%
Joseph	Kosinski	M.D.	3.45%
George	Lu	M.D.	3.45%
Greta	Manning	M.D.	3.45%
Denise	Milam,	M.D.	3.45%
Daniel	Miller	M.D.	3.45%
William	Moore,	M.D.	3.45%
William	Prine,	M.D	3.45%
Timothy	Roads,	M.D.	3.45%
Kimberly	Sawyer,	M.D.	3.45%
Stephanie	Schultz,	M.D.	3.45%
Jennifer	Seawell,	M.D.	3.45%
Lance	Sherley,	D.O.	3.45%
Peter	Silkowski,	M.D.	3.45%
Bradley	VanderVeen	M.D.	3.45%
Eliza	Whitten	M.D.	3.45%
	29 shareholder's		100.00%

SECTION A:

APPLICANT PROFILE

Item #5
For new facilities or existing facilities without a current management agreement, attach a copy of a draft management agreement that at least includes the anticipated scope of management services to be provided, the anticipated term of the agreement, and the anticipated management fee payment methodology and schedule. For facilities with existing management agreements, attach a copy of the fully executed final contract.

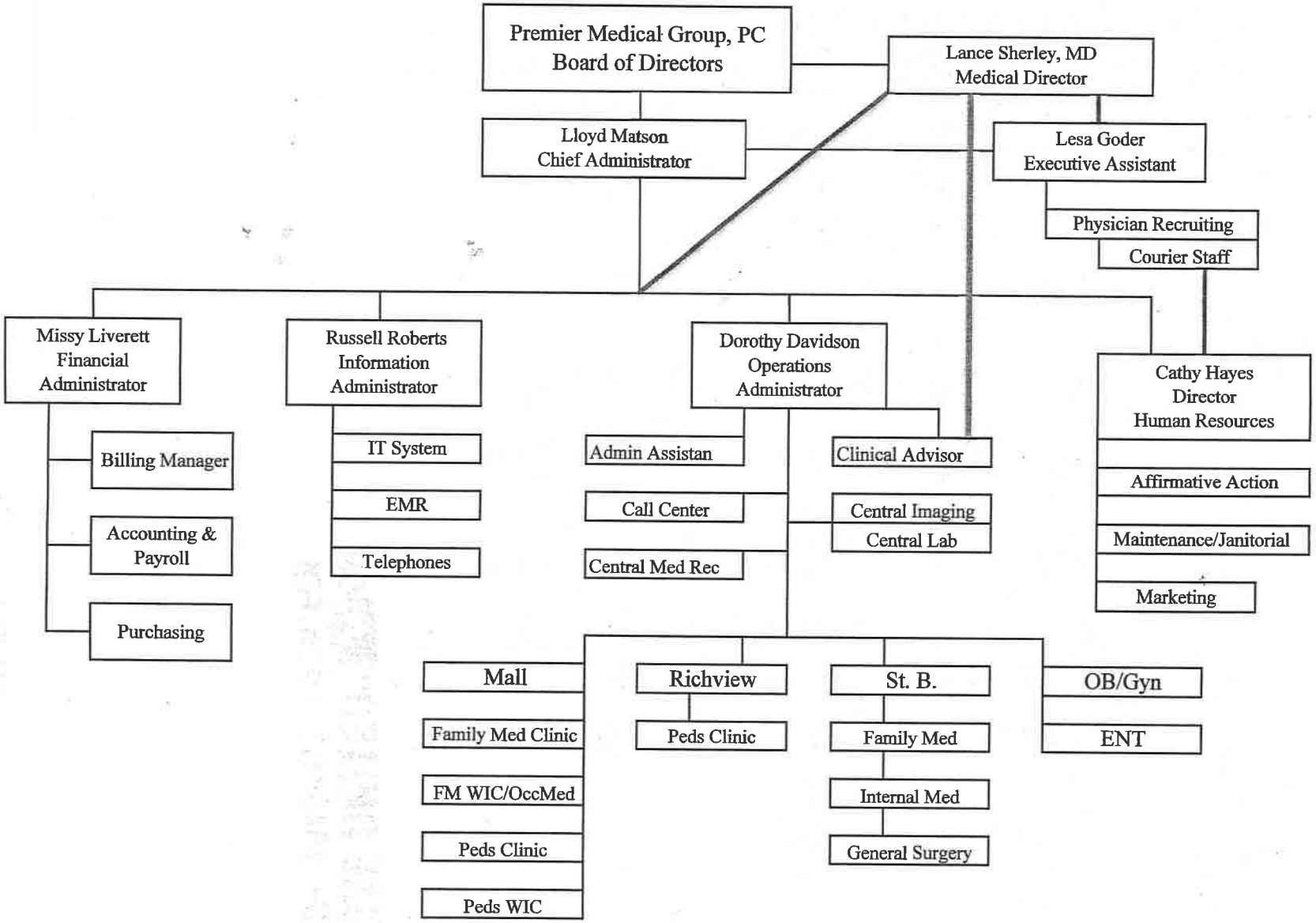
Please describe the management entity's experience in providing management services for the type of the facility, which is the same or similar to the applicant facility. Please describe the ownership structure of the management entity.

Response:
Premier Medical Group, PC has an existing facility and MRI CON (#CN9909-082A) located at 2831 Wilma Rudolph Blvd., Clarksville, TN 37040. Premier Medical Group, PC has a management structure that has operating authority that is delegated by the Board of Directors of Premier Medical Group, PC. (See attached Premier Medical Group Organizational Chart – (Attachment – Page #63). The Premier Medical Group, PC Imaging Center and MRI is under the Director of Operations which is ultimately responsible to the Chief Administrator and the Board of Directors of Premier Medical Group, PC. All the Managers and those responsible for operating the Imaging Equipment are employed by Premier Medical Group, PC. In addition, Premier Medical Group, PC currently employs a radiologist to interpret all professional components of the MRI and is directly responsible for the technical component and patient care in the Imaging Department under the MRI CON. Premier Medical Group, PC has owned the MRI equipment and MRI CON since December 15, 1999.

Premier Medical Group, PC

Organization Chart

As of October, 2013



PREMIER MEDICAL GROUP, PC
BOARD OF DIRECTORS:

Jeffrey Anderson, M.D.	
Paul Darke, M.D.	
Jeffrey Hamre, D.O.	(Vice President)
Laurie Harris-Ford, M.D.	(Treasurer)
Giri Korivi, M.D.	
Joseph Kosinski, M.D.	(Secretary)
Peter Silkowski, D.O.	(President)

BYLAWS OF PREMIER MEDICAL GROUP, P.C.

These Bylaws shall regulate the business and affairs of the Corporation, subject to the provisions of the Corporation's Charter and the applicable provisions of the Tennessee Business Corporation Act and Tennessee Professional Corporation Act, Sections 48-11-101 et seq., and 48-3-601 et seq., respectively, Tennessee Code Annotated.

SECTION 1

OFFICES AND REGISTERED AGENT

Section 1.01. Registered Office. The Corporation shall designate and continuously maintain a registered office in the State of Tennessee.

Section 1.02. Principal Office. The principal office of the Corporation shall be that which is designated as such in its Charter.

Section 1.03. Other Offices. The Corporation may also have other offices within and without the State of Tennessee at such places as the Board of Directors may from time to time determine.

Section 1.04. Registered Agent. The Corporation shall designate and continuously maintain a registered agent in the State of Tennessee at its registered office.

Premier Medical Group, PC Amended 12/12/2013

SECTION 2

SHAREHOLDERS

Section 2.01. Place. All meetings of the shareholders of the Corporation shall be held at the principal office of the Corporation, or at such other place as may be fixed by resolution of the Board of Directors.

Section 2.02. Annual Meeting. The annual meeting of the shareholders of the Corporation shall be held at 6:00 p.m. on the first Tuesday in December of each and every year, if not a legal holiday, and if a legal holiday, then on the next succeeding business day, not a legal holiday. The Board of Directors may, however, by resolution, fix the date of the annual meeting on any day within the period of sixty (60) days next succeeding the foregoing date. At the annual meeting, the shareholders shall elect Directors, receive reports on the activities and financial condition of the Corporation, and transact such other business as may properly come before the meeting.

Section 2.03. Special Meetings. The Corporation shall hold a special meeting of its shareholders upon the call of the Board of Directors or the President, or upon the written demand(s) to the Secretary by shareholders holding at least ten (10%) percent of all votes entitled to be cast on any issue to be considered at the proposed special meeting. Any call or demand for a special meeting shall describe the purpose(s) for which the special meeting is to be held. Only business within the purposes(s) described in the meeting notice for the special meeting may be conducted at such meeting.

Section 2.04. Notice of Meetings. The Corporation shall notify its shareholders of the date, time and place of each annual and special meeting of shareholders no fewer than ten (10) days, nor more than two (2) months, before the meeting date. If a meeting is adjourned to a different date, time and/or place, notice of the new date, time and/or place need not be given if they are announced at the meeting before adjournment, unless a new record date is or must be fixed.

Section 2.05. Waiver of Notice. A shareholder's attendance at a meeting:

Premier Medical Group, PC Amended 12/12/2013

(a) Waives objection to lack of notice or defective notice of the meeting unless the shareholder at the beginning of the meeting (or promptly upon arrival) objects to holding the meeting or transacting business at the meeting; and

(b) Waives objection to consideration of a particular matter at the meeting that is not within the purposes(s) described in the meeting notice, unless the shareholder objects to considering the matter when it is presented.

Section 2.06. Quorum. Unless otherwise required by law, a majority of the votes entitled to be cast on a matter must be represented at any meeting of the shareholders to constitute a quorum on that matter. If, however, such majority is not represented at a meeting, the chairman of the meeting or the holders of a majority of the votes in fact represented at the meeting (whether in person or by proxy) shall have the power to adjourn the meeting to another date, time and/or place without notice other than announcement at the meeting, unless a new record date is or must be fixed, until the requisite quorum is present or represented, when any business may be transacted which might have been transacted at the meeting as it was originally scheduled before adjournment.

Section 2.07. Voting Requirements. Except as otherwise provided in the Charter or in these bylaws, action on any matter voted upon at a meeting of the shareholders is approved if a quorum exists and if the votes cast in favor of the action exceed the votes cast against the action. However, Directors shall be elected by a majority of the votes cast by the shares entitled to vote in the election at a meeting of the shareholders at which a quorum is present.

Premier Medical Group, PC Amended 12/12/2013

Notwithstanding anything else herein contained, action on the following matters may not be taken solely by the Board of Directors of the Corporation or simply by a majority vote at a meeting of shareholders but requires an affirmative vote of two-thirds (2/3) of all issued and outstanding shares of Class A common stock for approval:

(a) Amendment of the Corporation's Charter or Bylaws, including without limitation any amendment to the Director election process, the Director specialty number(s), or the qualifications for Directors;

(b) Dissolution, liquidation, sale or exchange of all or substantially all of the assets of the Corporation, merger in which the Corporation is not the surviving entity, or share exchange in which the Corporation is not the surviving entity;

(c) Amendment, change or modification of the Corporation's shareholder compensation plan;

(d) Obtaining any loan greater than $250,000 or otherwise incurring debt or indebtedness greater than $250,000; and

(e) Removing any one (1) or more Directors, with or without cause.

Section 2.08. Action Without Meeting. Action which is required or permitted to be taken at a meeting of the shareholders may be taken without such a meeting if all shareholders entitled to vote on the action consent to taking such action without a meeting. If all of such shareholders so consent, the affirmative vote of the number of shares that would be necessary to authorize or take such action at a meeting shall be the act of the shareholders, except as otherwise provided in these Bylaws. Such consent (or counterpart(s) thereof shall describe the action taken, be in writing, be signed by each shareholder entitled to vote on the action, indicate each signing shareholder's vote or

Premier Medical Group, PC Amended 12/12/2013

abstention on the action, and be delivered to the Secretary of the Corporation and included in the minutes or corporate records.

Section 2.09. Proxy Restriction. A shareholder may only appoint a qualified person as a proxy to vote such shareholder's shares of stock in the Corporation.

Section 2.10. Voting Trust Restriction. A voting trust with respect to shares of stock in the Corporation is not valid unless all of its trustees and beneficiaries are qualified persons. However, if a beneficiary who is a qualified person dies or becomes disqualified, the voting trust shall continue to be valid for ten (10) months after the date of death or five (5) months after the disqualification occurs.

Section 2.11. Qualified Person; Disqualified Person.

(a) As used in this Section 2 and elsewhere in these Bylaws, "qualified person" means an individual, general partnership or professional corporation to which shares of stock in the Corporation may be lawfully issued.

(b) As used in these Bylaws, "disqualified person" means an individual or entity that for any reason is or becomes ineligible by law to be issued shares of stock in the Corporation.

Premier Medical Group, PC Amended 12/12/2013

SECTION 3

BOARD OF DIRECTORS AND COMMITTEE

Section 3.01. General Powers and Qualifications. All corporate powers of the Corporation shall be exercised by and under the authority of, and the business and affairs of the Corporation shall be managed under the direction of, the Board of Directors. All Directors must be natural persons, shall be at least eighteen (18) years of age, must be an employee of the Corporation, and must also have been so employed by the Corporation

for at least two (2) full consecutive years immediately prior to his or her serving as a Director. All Directors must be shareholders and must be qualified persons.

Section 3.02. Number of Directors. The Board of Directors shall be comprised of seven (7) Directors but these Bylaws may be amended from time to time by the shareholders or by the Board of directors to increase or decrease the number of Directors within the limits provided by law.

Of the seven (7) Directors,

(a) Five (5) shall have a specialty in primary care medicine (which include family practice, internal medicine, pediatrics specialties) (the " primary care board members"),

(b) Two (2) shall have subspecialties other than those set forth in (a) above (the "specialty board members").

No person shall serve in more than one Director position at the same time. Every shareholder may vote in electing each Director position, no matter what the shareholder's specialty or area of practice is, and whether or not the shareholder is qualified to fill that particular Director position.

Section 3.03. Election and Tenure. Directors shall be elected by the shareholders at each annual meeting of the shareholders, and except as otherwise provided in this section, each Director shall be elected to serve for a term of four (4) years, or until his or her successor is elected and qualifies; subject, however, to the removal of any Director by the shareholders as provided in these Bylaws. Directors may be elected to successive terms, and any person qualified to serve as a Director of the Corporation may be elected whether or not he or she is on any recommended slate, since it is not necessary for a

Premier Medical Group, PC Amended 12/12/2013

person to be slated to be elected as a Director. Directors must attend Board training programs as approved by the Board of Directors a minimum of every two (2) years.

The terms of the Directors shall be staggered so that no more than two (2) Directors are elected at any annual meeting, except as may be necessary to fill a vacancy or if the number of Directors has been increased to greater than eight (8) Directors.

Section 3.04. Regular Meetings. Regular meetings of the Board of Directors may be held without notice at such time and place as the Board of Directors shall determine from time to time, but no less frequently than once a year.

Section 3.05. Special Meetings. Special meetings of the Board of Directors may be called by the President or by any two (2) Directors. If, however, the Board of Directors is comprised of only one (1) Director, then special meetings may be called by that single Director.

Section 3.06. Notice of Meetings. Regular meetings of the Board of Directors may be held without notice of the date, time, place, or purpose of the meeting. Special meetings of the Board of Directors must be preceded by at least two (2) days' notice to each Director of the date, time and place, but not the purpose, of such special meeting. Notice of any adjourned meeting need not be given if the time and place to which the meeting is adjourned are fixed at the meeting at which the adjournment is taken, and if the period of adjournment does not exceed one (1) month in any one (1) adjournment.

Section 3.07. Waiver of Notice. If a Director attends or participates in a meeting, he or she waives any required notice to him or her of the meeting unless the Director at the beginning of the meeting (or promptly upon arrival) objects to holding the

Premier Medical Group, PC Amended 12/12/2013

meeting or transacting business at the meeting and does not thereafter vote for or assent to action taken at the meeting.

Section 3.08. Quorum and Voting. A quorum of the Board of Directors shall consist of four (4) Directors. If a quorum is present when a vote is taken, the affirmative vote of four (4) of the Directors present is the act of the Board of Directors, except as otherwise provided in these Bylaws.

Section 3.09. Vacancy. If a vacancy occurs on the Board of Directors, including a vacancy resulting from an increase in the number of Directors or a vacancy resulting from a removal of a Director with or without cause:

(a) The shareholders may fill the vacancy;

(b) The Board of Directors may fill the vacancy; or

(c) If the Directors remaining in office constitute less than a quorum of the Board, they may fill the vacancy by the affirmative vote of a majority of all Directors remaining in office.

Section 3.10. Removal of Directors. The shareholders may remove any one (1) or more Directors, with or without cause as specified in 2.07 (e) above, at any special meeting which is specifically called for that purpose.

Section 3.11. Action Without Meeting. Action which is required or permitted to be taken at a meeting of the Board of Directors may be taken without such a meeting if all Directors consent to taking such action without a meeting. If all Directors so consent, the affirmative vote of the number of Directors that would be necessary to authorize or take such action at a meeting shall be the act of the Board, except as otherwise provided in these Bylaws. Such consent (or counterparts(s) thereof) shall describe the action taken,

Premier Medical Group, PC Amended 12/12/2013

be in writing, be signed by each Director entitled to vote, indicate each signing Director's vote or abstention on the action, and be delivered to the Secretary of the Corporation and included in the minutes or corporate records.

Section 3.12 Indemnification. With respect to claims or liabilities arising out of service as a Director of the Corporation, the corporation shall indemnify and advance expenses to each present and future Director (and his or her estate, heirs, and personal representatives) to the fullest extent allowed by the laws of the State of Tennessee, both as now in effect and as hereafter adopted or amended.

Section 3.13 Committees of the Corporation. The Board of Directors may create from time to time by resolution or otherwise certain advisory, working or study committees which shall, among other things, advise the Board and/or shareholders, make recommendations, study and/or work on certain matters, areas or topics assigned to them. These committees shall not take the place of or exercise the powers of the Board of Directors, since all authority for the management of the business and affairs of the Corporation ultimately rests in the Board. The committees shall report to the Board in person through the Chairman of the committee or their designee and in writing through minutes or if necessary, by letter addressed to the President of the Corporation on an as needed basis. The Chairman of each committee shall be a Board member. Certain committees may have non-shareholder physician members while other committees will be made up of shareholder members only. Additionally, under the sub-heading of each committee, the administrators which are to be considered members of the committee will be listed. The administrative members of the various committees shall be non-voting members. The following committees of the Corporation are hereby established, although

Premier Medical Group, PC Amended 12/12/2013

the Board of Directors may create additional committees from time to time by resolution without the necessity of amending or supplementing these Bylaws:

(a) Executive Committee. This committee shall be comprised of the President as the committee chairman, Vice President and Secretary of the Corporation and its medical director and chief administrator. The committee shall help oversee the day-to-day operations of the Corporation and shall report to the Board any material matters of which it becomes aware that arise or may affect the Corporation between meetings of the Board of Directors. As it sees fit and as requested by the Board, this committee shall also make recommendations to the Board from time to time regarding the operations, management, business and affairs of the Corporation.

(b) Finance Committee. This committee shall be comprised of the Treasurer of the Corporation as the committee chairman, chief administrator and chief financial administrator of the Corporation and minimum of four (4) Shareholders of the Corporation. The committee shall be responsible for reviewing proposed budgets for the Corporation and presenting and making recommendations concerning all aspects of the Corporation's budget and the budgeting process; short-range and long-range financial planning; monitoring how well the Corporation meets and adheres to its budgets; reviewing the quarterly provider production data along with any recommended base compensation changes; formulation of policies regarding all areas of managed care strategy, external integration and education of the group members and providers regarding managed care. These matters are to include, but not limited to, strategies involving the assumption of risk, contract negotiations, contract analysis, and analysis of all actuarial data and demographic data which would impact the group and otherwise

Premier Medical Group, PC Amended 12/12/2013

overseeing and making recommendations to the Board of Directors regarding any financial matter of the Corporation. This committee shall meet at least quarterly and additionally as needed.

(c) Professional Practice Committee. This committee shall be comprised of the Vice President of the group as the committee chairman, the medical director, chief administrator and the chief operations administrator of the Corporation and the department chairmen. The committee shall help monitor and help oversee quality assurance, clinical practice guidelines, credentialing, utilization review, CQI, and the medical records of the Corporation and shall report to the Board any noted deficiencies or recommendations with regard to such matters. The department chairmen members of this committee shall be elected as referenced in the above titled document. This committee shall meet at least quarterly and as needed.

(d) Recruiting Committee. This committee shall be comprised of one Board member as the Chairman, Medical Director, chief administrator and a minimum of four (4) Shareholders of the Corporation. The committee shall be responsible to monitor physician and extender needs of the group so that patient care demand is adequately met by the Corporation, design recruiting plan to meet the Corporation Strategic Plan, work with recruiters, identify qualified physician and extender candidates, design plan and process to attract qualified candidates to fill identified and Board approved positions within the group practice. It is the responsibility of this committee to oversee and monitor new physicians and extenders to guarantee their melding into the group and build successful practices for the Corporation. The committee shall oversee and make recommendations to the Board of Directors regarding any physician and extender

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recruiting matter of the Corporation. This committee shall meet at least quarterly and additionally as needed.

(e) Nominating Committee. This committee shall be comprised of the President as the chairman, medical director, the Immediate Past President, two (2) immediate past Board member shareholders of the Corporation and the chief administrator of the Corporation. For each Board vacancy, this committee shall present to the Board of Directors of the Corporation a slate of at least two (2) eligible physicians it recommends, although the person elected to fill the Board vacancy does not have to come from the slate i.e., nominations can be made from the floor. Whenever possible, the Board of Directors shall then submit its slate of Board nominees to the shareholders at least ten (10) days prior to the vacancy being filled or otherwise being elected. In the process of nominating eligible physicians for Board, the committee shall solicit interest from all eligible shareholders. The committee shall meet no less than one month prior to the annual shareholders meeting or as needed to consider nominations for unexpected vacancies or as directed by the Board.

(f) Investment Committee. This committee shall be comprised of one Board member as the Chairman, chief administrator, chief financial administrator and Director of Human Resources of the Corporation and a minimum of three (3) Shareholders of the Corporation. The terms for each shareholder on this committee shall be for three years. The committee shall be responsible to monitor the retirement plans by reviewing all reports and documents from plan third party administrators, attorneys, accountants and plan investment advisors and all others associated with the Corporate retirement plans. It is the responsibility of this committee to oversee the Corporate Retirement Plans so that

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they are in compliance with the law, review plan investments quarterly to assure they comply and are in accordance with the plan's Investment Policy as approved by the Corporation's Board of Directors. The committee shall oversee and make recommendations to the Board of Directors regarding any retirement plan financial matter of the Corporation. This committee shall meet at least quarterly and additionally as needed.

Section 3.14. Committee Appointment and Tenure. Unless specifically provided otherwise hereinabove, the members of the various committees shall be appointed by the Board of Directors at its first regular meeting after the annual meeting of shareholders each year, and each committee member shall serve one (1) year, or until his or her successor is appointed and qualified; subject, however, to the removal of any committee member by the Board of Directors at any time, with or without cause, since each member serves entirely at the pleasure of the Board of Directors. Committee members may be appointed to successive terms and do not have to be Directors or shareholders of the Corporation, unless otherwise specified. Any vacancy on a committee shall be filled by the Board of Directors unless specifically provided otherwise herein. The committee shall select a chairman, who is subject to Board approval, from the various members of each committee unless otherwise specified, which chairman shall serve in such capacity for a term of two (2) years, or until his or her successor is appointed and qualified, and who shall have served on the committee for the prior year. The chairman will be responsible for scheduling, moderating and conducting all meetings of his or her committee.

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Section 3.15. Committee Quorum and Voting. A quorum of any committee shall consist of a majority of the voting members which comprise the committee, as prescribed by these Bylaws or otherwise set by the Board of Directors for any committee not specified herein. If a vote is called for or required, the affirmative vote of a majority of the committee members present is the act of the committee.

Section 3.16. Other Committee Matters. The provisions of Section 3.04, 3.05, 3.06, 3.07, 3.11 and 3.12 shall apply and govern each committee of the Corporation. However, when applying these Sections to the committees (but not to Directors or the Board of Directors), "Director," as used therein, shall be replaced with "committee member" (and the appropriate replacements should be made for the plural of these words), "Board" and "Board of Directors" shall be replaced with "committee," and "Secretary of the Corporation" in Section 3.11 shall be replaced with "chairman or presider of the committee" in applying the provisions of Section 3.11 to the committees.

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SECTION 4

OFFICERS

Section 4.01. Required Officers. The officers of the Corporation shall be a President, a Vice President, a Secretary, a Treasurer and such other officers as may from time to time be elected or appointed by the Board of Directors. However, notwithstanding the foregoing, the Corporation shall not be required to have a Treasurer until such time it first chooses to elect one, but after which time the Treasurer shall be a required officer. (The Corporation shall not have a Treasurer initially.) Except for the

offices of President and Secretary, the same individual may simultaneously hold more than one (1) office in the Corporation.

Section 4.02. Election and Qualifications. At the first meeting of the Board of Directors after each annual meeting of the shareholders, the Board shall elect the officers (initially the President, Vice President and Secretary) of the Corporation by a majority vote of those Directors present, provided a quorum exists. All officers must be natural persons and shall be at least eighteen (18) years of age. All officers must be qualified persons, unless otherwise allowed by law or lawfully enacted rule or regulation, in which case all officers except for the Secretary, Treasurer, and any assistant secretary or assistant treasurer shall be qualified persons.

Section 4.03. Term of Office. The officers of the Corporation shall hold office for one (1) year or until their successors are chosen and qualify in their stead, subject, however, to the right and authority of the Board of Directors to remove any officer at any time with or without cause. The President of the Corporation shall hold office for three (3) years. The Board of Directors has the right and authority to remove the President at any time with or without cause.

Section 4.04. Powers and Duties of Officers. The powers and duties of the officers of the Corporation shall be as follows:

(a) President. The President shall be the Chief Executive Officer of the Corporation, shall have general and active management of the Corporation, and shall see that all orders and resolutions of the Board of Directors are carried into effect, subject, however, to the right of the Board of Directors to delegate any specific powers, unless

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exclusively conferred upon the President by law, to any other officer(s) of the Corporation.

(b) Vice President. The Vice President shall have such powers and perform such duties as may be assigned to him or her by the Board of Directors or the President. In the absence or disability of the President, the Vice President shall perform the duties and exercise the powers of the President. The Vice President may sign and execute contracts and other obligations pertaining to the regular course of his or her duties.

(c) Secretary. The Secretary shall attend all meetings of the Board of Directors and of the shareholders of the Corporation and shall be responsible for preparing the minutes of such meetings. The Secretary shall be responsible for the care and custody of the minute book of the Corporation and for authenticating records of the Corporation. It shall be his or her duty to give or cause to be given notice of all meetings of the shareholders and of the Board of Directors. The Secretary shall also perform such other duties as may be assigned to him or her by the Board of Directors or by the President, under whose supervision he or she shall act. In the event the Secretary is absent for some reason from any meeting where minutes are to be prepared or is otherwise unable to take such minutes, the presiding officer of such meeting shall appoint another person, subject to the approval of those present and entitled to vote at such meeting, to take the minutes thereof.

(d) Treasurer. The Treasurer shall have custody of the Corporation funds and securities and shall keep full and accurate account of receipts and disbursements in the appropriate Corporation books, and shall require the deposit of all monies and other valuable assets in the name of and to the credit of the Corporation in such financial

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institutions as may be designated by the Board of Directors. The Treasurer shall require disbursement of the funds of the Corporation as may be ordered by the Board of Directors, and shall render to the President and the Board of Directors, at any time they may require, an account of his or her transactions as Treasurer and of the financial condition of the Corporation. The Treasurer shall also report on the financial condition of the Corporation at all annual meetings of the shareholders.

(e) Immediate Past President. The Immediate Past President is an ex officio position not a direct appointment position and has no authority but only acts in an advisory role to the Board of Directors and Executive Committee for one year after leaving the position of President, whether still serving on the Board or not. Unless still serving as an elected term on the Board of Directors, the position of Immediate Past President has no vote in Board of Director matters.

Section 4.05. Removal. The Board of Directors may remove any officer at any time with or without cause.

Section 4.06. Vacancies. Any vacancies occurring in the offices of the President, Secretary, or Treasurer (provided a Treasurer has been elected previously and has thus become a required officer) shall be filled by the Board of Directors as soon as practicable. Vacancies in other offices may be filled at the discretion of the Board of Directors.

Section 4.07. Delegation of Powers and Duties. In case of the absence of any officer of the Corporation, or for any reason that the Board of Directors may deem sufficient, the Board of Directors may delegate the powers of such officer to any other officer or to any Director for the time being, provided the requirements of the last sentence of Section 4.02 are maintained.

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Section 4.08 Indemnification. With respect to claims or liabilities arising out of service as an officer of the Corporation, the Corporation shall indemnify and advance expenses to each present and future officer (and his or her estate, heirs and personal representatives) to the fullest extent allowed by the laws of the State of Tennessee, both as now in effect and as hereafter adopted or amended.

SECTION 5

RECORDS AND REPORTS

Section 5.01. Corporate Records. The Corporation shall keep as permanent records minutes of all meetings of its shareholders and Board of Directors, a record of all actions taken by the shareholders or Board of Directors without a meeting, appropriate accounting records, and a list of its shareholders in alphabetical order by class and series showing their respective addresses and the number of shares each shareholder holds.

Section 5.02. Records at Principal Office. The Corporation shall keep at all times a copy of the following records at its principal office:

(a) Its Charter or Restated Charter and all amendments thereto;

(b) These Bylaws and all amendments thereto;

(c) Resolutions adopted by the Board of Directors creating one (1) or more classes or series of shares of stock, and fixing their relative rights, preferences, and limitations, if shares issued pursuant to those resolutions are outstanding;

(d) The minutes of all meetings of shareholders and the records of all actions taken by shareholders without a meeting for the past three (3) years;

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(e) All written communications to shareholders generally within the past three (3) years, including the past three (3) years' annual financial statements;

(f) A list of the names and business addresses of its current Directors and officers; and

(g) The most recent annual report delivered to the Tennessee Secretary of State.

Section 5.03. Annual Financial Statements. The Corporation shall prepare annual financial statements that include a balance sheet as of the end of the fiscal year, an income statement for that year, a statement of changes in shareholders' equity for the year unless that information appears elsewhere in the financial statements, and such other information necessary to comply with the requirements of the applicable provisions of the Tennessee Business Corporation Act.

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SECTION 6

ISSUANCE AND TRANSFER OF SHARES

Section 6.01. Certificates of Stock. All shares of issued and outstanding stock of the Corporation shall be evidenced by stock certificates which shall be numbered and shall be entered on the books of the Corporation as they are issued. The certificates shall show the class of stock, the holder's name, the number of shares and the date issued. They shall be signed by the President and the Secretary.

Section 6.02. Lost Certificates. In case of loss or destruction of a certificate of stock, no new certificate shall be issued in lieu thereof except upon satisfactory proof of the loss to the Board of Directors. Upon issuing a duplicate certificate in lieu of a loss or

destroyed certificate, the Board may require the giving of such security as it may be deemed expedient against loss to the Corporation. Any such new certificate shall have marked "duplicate" on its face.

Section 6.03. Restrictions and Legend. The certificates of stock may be restricted or limited as to transferability or otherwise by the Charter, these Bylaws, by law, an agreement among shareholders or any two (2) or more of them, or an agreement between shareholders and the Corporation. Each certificate which is so restricted or limited shall have conspicuously noted thereon a statement as to the existence of such restriction or limitation. In addition to such restrictions or limitations, if any, the following legend shall appear upon each certificate of stock, and such stock shall be subject to the following restrictions:

> NOTICE: The shares represented by this certificate have not been registered under any federal securities act or under the Securities Act of the State of Tennessee, and such shares have been issued and acquired for investment purposes only. Such shares may not be sold, mortgaged, pledged, hypothecated, assigned or otherwise transferred or encumbered without an effective registration statement of such shares under said Acts of an opinion of counsel for the Corporation that registration is not required thereunder, and such transaction shall not endanger any exemption from registration upon which the Corporation may have relied. Further, the Corporation is a professional corporation, and the transfer and encumbrance of such shares are restricted and limited by the Charter and Bylaws of the Corporation. The transfer of shares of a professional corporation is restricted by the Tennessee Professional Corporation Act, and is subject to further restriction imposed from time to time by the licensing authority. Shares of a professional corporation are also subject to a statutory compulsory repurchase obligation.

Section 6.04. Limitations on Ownership.

(a) Unless specifically otherwise allowed by lawfully enacted rule of regulation, all shareholders must be licensed to practice in Tennessee the professions(s)

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described in the Charter. However, if so otherwise allowed by such rule or regulation, the Corporation may issue shares of stock only to:

(1) Individuals who are authorized by law in Tennessee or another state to render a professional service described in the Charter;

(2) General partnerships in which all partners are qualified persons with respect to the Corporation and in which at least one (1) partner is authorized by Tennessee law to render a professional service described in the Charter; and

(3) Professional corporations, whether domestic or foreign, authorized by Tennessee law to render a professional service described in the Charter.

The authority of the Corporation to issue shares may be further restricted, conditioned or revoked by law or by lawfully enacted rule or regulation.

(b) A shareholder may transfer or pledge shares of stock in the Corporation only to individuals, general partnerships and professional corporations permitted to be issued shares under (a) above. However, notwithstanding the foregoing, a shareholder is not prohibited from pledging shares to a financial institution as collateral for a loan, provided such pledge does not violate a lawful shareholders' agreement, stock restriction agreement, or other similar agreement or document affecting the shares or shareholder, which lawful agreement or document shall control.

(c) Shares issued in violation of (a) above are void. Transfers made in violation of (b) above, except by operation of law or court judgment, are void.

Section 6.05. Transfer of Shares. The rights against the Corporation inherent in the shares represented by a certificate of stock in the Corporation are transferable only by registration of such shares in the name of the assignee as the registered holder on the

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books of the Corporation. In all cases of transfer, the former certificate shall be surrendered and cancelled before a new certificate is issued. Shares of stock may be transferred on the books of the Corporation only by:

(a) Delivery of the certificate properly endorsed by the holder of record; or

(b) Delivery of the certificate and a separate document containing a written assignment of the certificate by the holder of record or a proper written power of attorney to sell, assign or transfer the same or the shares represented thereby.

Section 6.06. Acquisition of Shares.

(a) Upon the occurrence of any of the following events, the Corporation must acquire the shares of stock in the Corporation held by a shareholder, or cause them to be acquired by a qualified person:

(1) The shareholder dies;

(2) The shareholder retires, withdraws, or terminates employment with the Corporation;

(3) The shareholder becomes a disqualified person, except as provided in (c) below; or

(4) Shares of stock in the Corporation are transferred by operation of law or a court judgment to a disqualified person, except as provided in (c) below.

(b) Such shares must be acquired within ten (10) months after the date of death or within five (5) months after such retirement, withdrawal, termination, disqualification or transfer. If the shares are not acquired within the required time period, the Corporation must then immediately cancel the shares on its books, and such

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shareholder shall have no further interest as a shareholder except for the right of payment for such shares.

(c) The acquisition of shares is not required if the disqualification lasts no more than five (5) months from the date the disqualification or transfer occurs.

(d) If the shares must be acquired by the Corporation pursuant to (a) above, the Corporation shall deliver written notice to the person holding such shares (but to the personal representative of the estate of a deceased shareholder) offering to purchase them at a price the Corporation believes represents their fair value as of the date of death, retirement, withdrawal, termination, disqualification or transfer. Such notice must be accompanied by the Corporation's balance sheet for a fiscal year ending not more than sixteen (16) months before the effective date of the notice, an income statement for that year, a statement of changes in shareholders' equity for that year, and the latest available interim financial statements, if any.

(e) The person has thirty (30) days from the effective date of the notice to accept the Corporation's offer, in which case the Corporation shall pay for the shares within sixty (60) days from the effective date of the notice (unless a later date is agreed to) upon such person's surrender of shares to the Corporation. If such person does not accept the Corporation's offer, then the Corporation and/or person may commence judicial proceedings to determine the fair value of the shares in accordance with Section 48-3-615, Tennessee Code Annotated, and the procedures set forth therein.

(f) The provisions of this Section 6.06 shall not affect the terms of any lawful private agreement or shareholders' agreement, which may be more restrictive than this Section, and the price fixed in such applicable agreement shall control over the price set

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in accordance with this Section 6.06, and any shorter or more restrictive time period set forth in such lawful applicable agreement shall control.

SECTION 7

MISCELLANEOUS PROVISIONS

Section 7.01. Fiscal Year. The fiscal year of the Corporation shall be fixed by resolution of the Board of Directors.

Section 7.02. No Seal. The Corporation shall have no seal.

Section 7.03. Notices. Whenever notice is required to be given to shareholders, Directors or officers, unless otherwise provided by law, the Charter or these Bylaws, such notice may be given in person or by telephone, telegraph, teletype, facsimile transmission or other form of wire or wireless transmission or by mail or private carrier. If such notice is given by mail, it shall be sent postage prepaid by first class United States mail or by registered or certified United States mail, return receipt required, and addressed to the respective address which appears for each such person on the books of the Corporation. Written notice sent by mail to shareholders shall be deemed to have been given when it is mailed. Any other written notice shall be deemed to have been given at the earliest of the following:

(a) When received;

(b) Five (5) days after its deposit in the United States mail if sent first class, postage prepaid; or

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(c) On the date on the return receipt, if sent by registered or certified United States mail, return receipt requested, and the receipt is signed by or on behalf of the addressee.

Section 7.04 Waiver of Notice. Whenever any notice is required to be given under the provisions of any statute, or of the Charter or these Bylaws, a waiver thereof in writing signed by the person entitled to such notice, whether before or after the date stated thereon, and delivered to the Secretary of the Corporation and included in the minutes or corporate records, shall be deemed equivalent thereto.

Section 7.05. Negotiable Instruments. All checks, drafts, notes or other obligations of the Corporation shall be signed by such of the officers of the Corporation, or by such other person(s), as may be authorized by the Board of Directors.

Section 7.06. Deposits. The monies of the Corporation may be deposited in the name of the Corporation in such bank(s) or financial institution(s) as the Board of Directors shall designate from time to time and shall be drawn out by check signed by the officer(s) or person(s) designated by resolution adopted by the Board of Directors.

Section 7.07. Captions. The captions contained in these Bylaws are for reference purposes only and shall not limit or extend the meaning or provisions of any Section.

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SECTION 8

AMENDMENT OF BYLAWS

Section 8.01. By Shareholders. These Bylaws may be amended by a two-thirds (2/3) vote of all shares issued and outstanding and entitled to vote at any annual or special meeting of the shareholders where a quorum is present, provided notice of intention to

amend shall have been contained in the notice of any special meeting for that purpose. These Bylaws may also be amended by the shareholders without a meeting in the same manner as provided therefore herein, except that such action to amend must be by a two-thirds (2/3) vote of all shares issued and outstanding and entitled to vote if such a meeting were to take place.

Section 8.02. Not By Board of Directors. These Bylaws may not be amended by the Board of Directors but may be amended only by the shareholders as provided above.

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SECTION A:

APPLICANT PROFILE

Item #6

For applicants or applicant's parent company/owner that currently own the building/land for the project location; attach a copy of the title/deed. For applicants or applicant's parent company/owner that currently lease the building/land for the project location, attach a copy of the fully executed lease agreement. For projects where the location of the project has not been secured, attach a fully executed document including Option to Purchase Agreement, Option to Lease Agreement, or other appropriate documentation. Option to Purchase Agreements **must include** anticipated purchase price. Lease/Option to Lease Agreements **must include** the actual/anticipated term of the agreement **and** actual/anticipated lease expense. The legal interests described herein **must be valid** on the date of the Agency's consideration of the certificate of need application.

Response:

Premier Medical Group, PC is working with Premier Development Group, LLC (Copy of Tennessee Secretary of State Certificate of Existence. – Attachment – Page #58).

(Copy of list of Owners and percentage of ownership is attached – Attachment - Page #61) Premier Development Group, LLC is developing the project for Premier Medical Group, PC. Premier Medical Group, PC will lease the entire facility from Premier Development Group, LLC. (See copy of fully executed Lease – Attachment - Pages #92 - 115).

LEASE AGREEMENT

THIS LEASE AGREEMENT (the "Lease") is made and entered into as of the 15th day of July, 2014, by and between **PREMIER DEVELOPMENT GROUP, LLC**, a Tennessee limited liability company, hereinafter referred to as "Landlord," and **PREMIER MEDICAL GROUP, P.C.**, a Tennessee professional corporation, hereinafter referred to as "Tenant."

WITNESSETH:

1. GRANT OF LEASE. For and in consideration of the payment by Tenant of the rent hereinafter set out, the performance by Tenant of the covenants and agreements herein contained, and subject to all the provisions hereinafter set forth, Landlord hereby leases to Tenant, and Tenant leases from Landlord, that certain office space (the "Premises") in a building to be constructed by Landlord on a tract of land located in the Clarksville, Montgomery County, Tennessee, comprised of the following two (2) parcels:

(a) approximately 10.44 acres generally bounded on the west by Ted Crozier Sr. Boulevard, on the north by Dunlop Lane, on the east by Chesapeake Lane, and on the south by Bell Trace Court, and

(b) approximately 1.24 acres generally bounded on the north by Dunlop Lane, on the east by Chesapeake Lane, and on the south and west by the 10.44 acres described in (a) just above.

(The parcels generally described in (a) and (b) above are together referred to herein as the "Property.) An office building shall be constructed on the Property in the manner as shown on the plans designated as Exhibit "A," which Exhibit is attached to this Lease and incorporated herein by reference, and the Premises, which will be located in such building, shall likewise be constructed as shown on Exhibit "A," including the specifications included therein.

2. TERM. (a) The Term of this Lease shall be for a period of fifteen (15) years and shall commence on the earlier of: (a) the date that Tenant takes possession or commences use of the Premises, or (ii) the date that the Premises is tendered to Tenant ready for occupancy. The date of actual commencement (the "Actual Commencement Date") shall be confirmed by the parties inserting the appropriate date below in this Paragraph 2(a) and initialing that provision.

Landlord shall attempt, in good faith, to have construction of the Premises and the building on the Property completed, and shall attempt to deliver the Premises to Tenant, by January1, 2016 (the "Target Commencement Date.") However, the Actual Commencement Date of this Lease shall be the date determined in accordance with the provisions above in this Paragraph 2(a), and is: _____.

_____ _____

Landlord Tenant

(To be initialed by both parties when the Actual Commencement Date is known and inserted above, after this Lease is signed.)

(b) Tenant shall have the right and option to renew this Lease for two (2) additional, consecutive five (5) year terms (the "Renewal Terms"), the first of which shall commence the day after the expiration of the initial Term, and the second of which shall commence the day after the expiration of the first Renewal Term. Tenant shall be deemed to have exercised any renewal option which it has unless it gives Landlord at least six (6) months' written notice prior to the end of the Term then in effect that it is not exercising its renewal option. Upon giving such notice, all further renewal options of Tenant shall be cancelled. Each Renewal Term shall be subject to the terms and conditions of this Lease. Upon any default by Tenant under this Lease, or upon termination of this Lease, all further renewal rights of Tenant shall immediately terminate. (Unless the context requires otherwise, as used herein "Term" shall include any and all renewals and extensions of this Lease.)

(c) Subject to the provisions of this Lease, Tenant shall have the right to peacefully occupy, use and enjoy the Premises during the Term, provided Tenant pays all Rent and other sums required to be paid by Tenant and performs all of Tenant's obligations and covenants herein contained.

3. RENT. (a) For the first three (3) years of the initial fifteen (15) year Term, Tenant shall pay Landlord annual Rent in the amount of One Million One Hundred Five Thousand Eight Hundred Eighty Two Dollars, ($1,105,882). Such Rent shall be due and payable in twelve (12) equal monthly installments of Ninety Two Thousand One Hundred Fifty Seven Dollars ($ 92,157) in advance on the same numerical day as the Actual Commencement Date, each calendar month during the Term, without notice or demand.

For each Lease year after the first three (3) years of the initial fifteen (15) year Term, including for each Lease year during the Renewal Terms, annual Rent (as calculated below) shall likewise be due and payable in twelve (12) equal monthly installments in advance on the same numerical day as the Actual Commencement Date, each calendar month during such Lease year, without notice or demand.

(b) For each Lease year after the first three (3) years of the initial fifteen (15) year Term, the annual Rent shall be increased (i.e., above the annual Rent charged for the first three (3) years of the initial Term) for each Lease year (including each Lease year of a Renewal Term), by three percent (3%) above the annual Rent for the prior Lease year. Accordingly, the annual Rent shall increase each Lease year (including each Lease year during the Renewal Terms) after the first three (3) years of the initial Term.

(c) In addition to such annual Rent, Tenant shall pay such other costs, expenses and amounts set out in this Lease.

4. POSSESSION. Tenant agrees that if Landlord is unable to deliver possession of the Premises to Tenant on the Target Commencement Date, this Lease shall not be void or voidable nor shall Landlord be liable to Tenant for any loss or damage resulting therefrom. In this event, Tenant shall begin paying Rent on the Actual Commencement Date, as determined in accordance with Paragraph 2(a).

5. USE. (a) Tenant shall use and occupy the Premises for purposes relating to its medical practice, including the provision of medical and surgical services, medical diagnostic services, and general medical and medical business offices. Tenant shall not use or permit the Premises, or any part thereof, to be used for any other purpose without the prior written consent of Landlord.

(b) Tenant shall not commit or permit any waste in or on the Premises or any nuisance (public or private) or other act or condition which may disturb the quiet enjoyment of adjoining landowners or other lessees. Tenant shall not use or allow the Premises to be used for any improper, immoral or unlawful purpose.

(c) Tenant shall carry out its medical practice, and only use the Premises in accordance and compliance with, all applicable laws and regulations.

(d) Tenant shall permit no hazardous substances to be located upon or generated, stored, transported to or from, disposed of or used on or within the Premises, except for hazardous substances used in the practice of medicine and/or laboratory facilities, provided these hazardous substances are used, stored and disposed of in accordance with applicable law. Tenant is responsible for hazardous substance removal.

(e) Tenant shall not permit any accumulation of garbage, trash or other refuse on or within the Premises and shall keep all garbage, trash and other refuse in proper containers until it is properly (and promptly) disposed of off the Property.

(f) In using the Premises, Tenant shall not do, or permit anything to be done, that would in any way increase the rate of fire or liability or any other insurance coverage on the Premises, cause the load upon any floor (or part thereof) in the Premises to exceed the load for which the floor was designed or the amount permitted by law, or use electrical energy exceeding the capacity of the then-existing feeders or wiring installations.

6. PAYMENT OF TAXES, INSURANCE AND UTILITIES. (a) Tenant shall timely and directly pay to the parties respectively entitled thereto all personalty taxes, ad valorem taxes, sales and use taxes, and any other assessments and other impositions on Tenant's equipment, inventory, furniture and fixtures located in the Premises or on the Property, premiums for insurance required to be maintained by Tenant under this Lease, and all other charges, costs and expenses incurred in connection with the operation of the Premises or Property which are or may be contemplated under the provisions of this Lease during the Term. Upon the failure of Tenant to pay any of them, Landlord shall have the same rights and remedies as otherwise provided in this Lease for the failure of Tenant to pay Rent. Tenant shall timely provide evidence upon request to Landlord of the payment of all taxes and any other assessments or impositions on Tenant's equipment, inventory, furniture and fixtures located in the Premises or on the Property and premiums for insurance required to be maintained by Tenant under this Lease.

(b) Tenant shall timely pay all utilities for the Premises and Property, including all charges for water, telephone, internet, sewer, electricity and gas. Tenant shall have

such all such utilities placed in its own name. Tenant shall leave sufficient heat on in the Premises during cold weather, so that the pipes serving the Premises will not freeze, particularly at nights and on weekends.

(c) Tenant shall timely pay all property taxes, ad valorem taxes and assessments on the Premises and Property, and any sales and use taxes imposed in conjunction with this Lease. Tenant shall timely provide evidence to Landlord of the payment of the property taxes, ad valorem taxes and assessments, and sales and use taxes.

7. MAINTENANCE AND REPAIRS. (a) Subject to the terms set out herein, Tenant shall maintain, at Tenant's sole expense, the Premises, building on the Property, and all fixtures, furnishings and equipment located on, or serving, the Premises, building or Property in compliance with all applicable laws, and in a clean, safe and sanitary condition, ordinary wear and tear excepted. Without limiting the generality of the foregoing, Tenant, at its sole expense, shall make any required repairs to: (i) any pipes, lines, ducts, wires or conduits contained on or serving the Premises or building in which the Premises is located; (ii) any heating, air conditioning, electrical, ventilation, plumbing, mechanical, communications or other equipment or systems installed in or serving the Premises or the building in which the Premises is located; (iii) any alarm systems or elevators serving the Premises or building; and (iv) any sidewalks, steps, driveways and parking lots (including repaving, sealing and restriping, as needed) on or serving the Premises or on the Property. The driveways and parking lots shall be resealed and restriped at least once every five (5) years at a minimum (or more often, if needed). Tenant shall keep the Premises, building in which the Premises is located, and Property clean, in good repair, free from rubbish, and in a first-class condition.

(b) If any maintenance or repair is required on account of any action or inaction of Tenant, or anyone coming onto the Premises or Property on account of Tenant, then such maintenance and repair shall be Tenant's sole responsibility, and at Tenant's sole expense, and shall be completed in a good, workmanlike, first class and prompt manner. Tenant, at Tenant's sole expense, shall be responsible for: any snow and ice removal from the Property and from the sidewalks and parking lot on the Property; any periodic permits or inspections needed for the Premises or building in which the Premises is located, or for equipment or systems located therein; mowing the grass and maintaining the shrubbery on the Property; light bulb replacement; any maintenance or repair of Tenant's signs; any maintenance or repair of glass in the building in which the Premises is located; trash pickup and removal; security services; keeping the Property and building thereon free from vandalism and graffiti; bathroom supplies; filter replacement; any maintenance or repair of the toilets, sinks and plumbing fixtures in the Premises and building in which the Premises is located, and the pipes and drains serving them; and maintaining contracts for the regular service, cleaning and inspection of the HVAC and other systems serving the Premises or building in which the Premises is located, in accordance with manufacturer's suggested guidelines.

(c) Tenant shall allow no waste or injury to any part of the Premises, and Tenant shall, at the expiration or earlier termination of the Term, surrender the Premises in an order and condition equal to or better than its order and condition on the Actual Commencement Date, ordinary wear and tear excepted. Tenant shall be responsible, at Tenant's sole expense, for providing all janitorial and cleaning services (including trash pickup, vacuuming, floor cleaning

and general floor cleanup) for the Premises and building in which the Premises is located. All such services shall be provided in accordance with cleaning standards customarily maintained for similar first class facilities.

(d) In the event Tenant fails to comply with the requirements of this Paragraph 7, Landlord may perform such maintenance and repair, and the costs thereof, plus ten percent (10%) of said costs to cover overhead, shall be payable by Tenant to Landlord within ten (10) days of demand therefor.

(e) If there is no threat of immediate damage or harm to person or property with respect to the Premises or building in which the Premises is located, then prior to Landlord's exercising Landlord's right pursuant to Paragraph 7(d) to perform repairs or maintenance on behalf of Tenant during the Term, Landlord shall provide Tenant with twenty (20) days' written notice of Tenant's failure to comply with the maintenance and repair obligations set forth herein. If Tenant cures said default within said twenty (20) day period, or if said default cannot be cured within a twenty (20) day period but Tenant commences to cure the default within said period and diligently pursues the cure to completion, then Tenant shall not be deemed to be in default for purposes of declaring this Lease in default hereunder, and Landlord shall have no right to commence or be reimbursed for any maintenance and repairs which were the obligation of Tenant.

(f) Tenant shall do nothing which will invalidate or shorten any warranty on the systems serving the Premises or the building in which the Premises is located. Landlord will provide Tenant with copies of any warranties which Landlord receives with respect to the construction of the Premises or the building, any materials used therein, and the installation of systems serving the Premises or the building, so that Tenant may take advantage of the warranties wherever possible when Tenant is maintaining the Premises and building.

8. ALTERATIONS. (a) Except as provided in Paragraph 10(b), Landlord shall have no obligation to make any alterations, decorations, additions or improvements in or to the Premises, the building in which the Premises is located, or the Property.

(b) Tenant shall not make, or permit anyone to make, any alterations, additions, improvements or other changes (collectively, the "Alterations"), structural or otherwise, in or to the Premises, the building in which the Premises is located, or the Property, without the prior written consent of Landlord, which consent shall not be unreasonably withheld or delayed with respect to the Premises, but which shall be in Landlord's sole discretion with respect to the remainder of the building and Property. Any Alterations made by Tenant shall be made: (i) in a good, workmanlike, first class and prompt manner; (ii) by a licensed contractor in accordance with plans and specifications approved in writing by Landlord; and (iv) in accordance with all applicable legal requirements and the requirements of any insurance company insuring the Premises, the building in which the Premises is located or the Property. If any mechanics' or materialmen's lien (or a notice to establish such lien) is filed against the Premises, the building or the Property for work claimed to have been done for, or materials claimed to have been furnished to, the Premises, or for work or improvements authorized by Tenant hereunder, Tenant shall discharge the lien within ten (10) days thereafter, at Tenant's sole

expense, either by the payment thereof or by filing a bond acceptable to Landlord transferring the lien to the bond.

(c) Notwithstanding anything else herein contained, any Alterations made by Tenant shall not adversely affect the: (a) structural integrity or exterior of the building in which the Premises is located; (b) foundation or roof of such building; or (c) heating, air conditioning, electrical, ventilation, plumbing, alarm, mechanical, communications or other systems serving such building.

(d) If any Alterations are made without the prior written consent of Landlord, Landlord shall have the right, at Tenant's expense, to remove and correct such Alterations and restore the Premises, the building in which the Premises is located and the Property to their condition immediately prior thereto, or to require Tenant to do the same. All Alterations made by either party shall immediately become the property of Landlord and shall remain upon and be surrendered with the Premises as a part thereof at the expiration or earlier termination of this Lease; provided, however, that if Tenant is not in default under this Lease, then Tenant shall have the right to remove, prior to the expiration or earlier termination of this Lease, all movable furniture, furnishings, equipment and trade fixtures installed in the Premises solely at the expense of Tenant, provided any damage to the Premises caused by such removal is promptly and fully repaired. If such furniture, furnishings, equipment and trade fixtures are not removed by Tenant prior to the expiration or earlier termination of this Lease, Landlord shall have the right at Tenant's expense to remove from the Premises those of them which Landlord designates in writing for removal, or to require Tenant to do the same, and Tenant shall promptly pay to Landlord the cost Landlord expends for such removal and repair.

(e) Provided Landlord does not materially diminish the quality or quantity of services being provided to the Premises or adversely affect the functional utilization of the Premises, Landlord reserves the right, at any time and from time to time, to make alterations, additions, repairs or improvements to or in, to change the location or arrangement of, or to decrease the size or area of: (i) any of the common areas of the building in which the Premises is located (but excluding inside the Premises) or on the Property; (ii) any fixtures and equipment serving the building (including without limitation the heating, air conditioning, electrical, ventilation, plumbing, alarm, mechanical, communications and other systems); (iii) walkways outside the Premises; and (iv) entrances or passageways, doors and doorways, corridors, elevators, stairs, toilets and other public parts of the building in which the Premises is located (but excluding inside the Premises).

9. ASSUMPTION OF RISK; INSURANCE. (a) As a material part of the consideration to be rendered to Landlord under this Lease, Tenant assumes all risks of damage to all its personal property located in and upon the Premises, unless damage is caused by the gross negligence or willful misconduct of Landlord.

(b) During the entire Term of this Lease, Tenant shall obtain and maintain, at its expense, broad-form comprehensive general public liability insurance against claims for bodily injury, death and property damage occurring in, on, or about the Premises and the Property with limits of not less than Five Hundred Thousand Dollars ($500,000)/One Million Dollars ($1,000,000). Such insurance shall name Landlord and Landlord's lenders, if any, as

additional insureds thereunder. Tenant shall furnish Landlord with a certificate evidencing such coverage.

(c) During the entire Term of this Lease, Tenant shall maintain, at its expense, all employees' compensation insurance required to be carried by Tenant under the Tennessee Workers' Compensation Act or other applicable laws now existing or as hereafter modified, supplemented or amended.

(d) Tenant shall maintain, at its expense, all-risk fire and extended coverage insurance on the Premises and the building in which it is located, for the maximum insurable amount, which shall cover at a minimum the full replacement cost of the property insured. Said insurance shall name Landlord as the insured and Landlord's lenders, if any, as mortgage payees.

(e) Tenant shall maintain, at its expense, all-risk fire and extended coverage insurance on all of its personal property, including removable trade fixtures, located in the Premises. Said insurance shall be in an amount equal to the full replacement cost of all such property. In addition, Tenant shall obtain, at its expense, any other insurance reasonably required by Landlord that is customarily required by institutional lenders on properties similar to the Premises.

(f) Tenant shall cause to be issued to Landlord, and shall provide Landlord with, proper certificates of insurance and a copy of policies evidencing Tenant's compliance with the covenants of Tenant contained in this Paragraph 9. All such insurance shall be effected under policies reasonably satisfactory to Landlord. Unless specifically provided otherwise, the policies shall name Landlord as an additional insured, and Landlord's lenders as mortgage payees, and shall contain provisions against cancellation, material change or non-renewal without Landlord and any lender being given at least thirty (30) days' prior written notice thereof. Each insurance policy shall provide that all rights of subrogation are waived against Landlord and Landlord's lenders, provided consents to the waiver of subrogation can be obtained from the insurance company or companies. No insurance policy shall contain a deductible of more than Five Thousand Dollars ($5,000), except as otherwise approved by Landlord in writing.

(g) In no event shall the limits of the insurance policies be considered as limiting the liability of Tenant.

(h) Landlord shall not be required to carry insurance of any kind on Tenant's property or equipment or Tenant's Alterations or leasehold improvements.

10. INSPECTION; ROOF AND STRUCTURE. (a) Landlord shall have the right at all reasonable times and upon reasonable notice to Tenant during the Term of this Lease to enter the Premises for the purpose of examining or inspecting the same and to assure itself that Tenant is repairing and maintaining the Premises and fulfilling its obligations as provided in this Lease. Landlord shall use reasonable efforts not to disturb Tenant's use and occupancy. In the case of an emergency, Landlord may enter the Premises immediately to inspect and/or remedy the problem. Landlord shall be not disclose any protected health information about any patient of

Tenant it may discover in entering the Premises or otherwise disclose any confidential patient information which it may discover or which may be disclosed to it.

(b) Landlord shall repair and maintain the roof covering the Premises and building in which the Premises is located and the foundation and structural portions of the Premises and building, unless the necessity for maintenance and repairs is in any way caused by the act, neglect, fault or omission of Tenant, its employees, agents, contractors or invitees. In this event, Tenant shall pay to Landlord the reasonable cost of these maintenance and repairs. Landlord shall not be liable for any failure to make any repairs or to perform any maintenance unless Landlord receives written notice of the need for the repairs or maintenance from Tenant and fails to make the repairs or perform maintenance within a reasonable period of time following notice. Rent and Tenant's obligation to pay other amounts due hereunder shall not abate nor shall Landlord be liable as a result of any injury to or interference with Tenant's business arising from the making of any repairs or the performance of any maintenance in or to any portion of the Premises, unless Landlord's repairs or its failure to make repairs makes the Premises untenable and the repairs are not necessitated by negligence of Tenant or its employees, agents, contractors or invitees.

11. PARKING. Tenant shall be entitled to use for its employees, patients vendors and invitees, those parking facilities which may be constructed, from time to time, for that purpose by Landlord on the Property. Tenant agrees to comply with, and to cause its employees, patients, vendors and invitees to comply with, reasonable rules and regulations with respect thereto as Landlord may establish from time to time. Landlord shall provide Tenant with written notice of these rules and regulations. Landlord reserves the right to alter and/or modify the layout and design of the parking and driveway areas from time to time constructed, or proposed to be constructed, on the Property. Landlord and Tenant acknowledge that certain parking spaces will need to be designated as handicapped spaces, and Tenant agrees to abide by and enforce the laws with respect to them.

12. DAMAGE AND DESTRUCTION. (a) Subject to the provisions of Paragraphs 12(b) and 12(c), if the Premises is totally or partially damaged or destroyed from any cause or disaster, thereby rendering the Premises totally or partially inaccessible or unusable:

(i) then Landlord shall diligently restore and repair the Premises to substantially the same condition it was in prior to such damage or destruction; provided, however,

(1) if in Landlord's sole judgment the restoration and repairs cannot be completed within six (6) months after the occurrence of the damage or destruction, then Landlord shall have the right, at Landlord's sole option, to terminate this Lease by giving written notice of termination to Tenant within sixty (60) days after the occurrence of the damage or destruction; and

(2) such obligation to restore and repair the Premises shall be limited to the amount of proceeds that Landlord receives from property and casualty insurance thereon, and if the amount of such insurance proceeds is not sufficient to restore and repair the Premises to the same general condition that it was just prior to the damage or destruction, then Landlord shall have the right, at Landlord's sole option, to terminate this Lease by giving written notice of termination to Tenant within forty-five (45) days after Landlord becomes aware that such insurance proceeds are insufficient to accomplish said restoration and repair.

(ii) if this Lease is thereby terminated by Landlord in accordance with Paragraph 12(a)(i), then Rent payable hereunder shall be apportioned and paid to the date of such damage or destruction.

(iii) if this Lease is not thereby terminated pursuant to Paragraph 12(a)(i), then

(1) until the restoration and repair of the Premises are substantially complete, Rent shall be appropriately abated as to that portion of the Premises which is unsuitable for occupancy by Tenant; and

(2) Landlord shall bear the cost and expenses of such restoration and repair of the Premises.

(b) Notwithstanding anything in Paragraph 12(a) to the contrary, if the Premises is totally or partially damaged or destroyed from any cause or disaster, thereby rendering the Premises totally or partially inaccessible or unusable,

(i) Landlord shall not be required to repair, restore or replace any decorations, Alterations or improvements to the Premises previously made by Tenant unless adequate insurance proceeds are available to pay the full costs thereof. It shall be Tenant's sole responsibility to repair, restore or replace any trade fixtures, furnishings, equipment or personal property belonging to Tenant (if Tenant indeed chooses to so repair, restore or replace them).

(ii) if such damage or destruction was caused by the intentional act or negligence of Tenant, or anyone coming on the Premises or Property on account of Tenant, then: (1) Tenant shall pay to Landlord the amount by which such costs and expenses exceed the insurance proceeds, if any, received by Landlord on account of such damage or destruction; and (2) there shall be no abatement of Rent pursuant to Paragraph 12(a).

(iii) Landlord's obligation to repair the Premises (including under Paragraph 12(a)(iii)(2)) is subject to the prior right of Landlord's lenders to receive insurance proceeds as a result of a fire or other casualty. Any obligation of Landlord shall be limited to the extent insurance proceeds are actually received by Landlord and released by its lenders for these repairs.

(c) If any damage to or destruction of the Premises exceeds forty percent (40%) of the replacement value of the Premises, then, Landlord shall have the right to terminate this Lease by written notice to Tenant within sixty (60) days after the occurrence of such damage or destruction.

(d) Except for Landlord's gross negligence or willful misconduct, no damages, compensation or claims shall be payable by Landlord for inconvenience, loss of business or annoyance arising from any restoration or repair of any portion of the Premises or the Property. Landlord shall use its best efforts to effect any restoration or repair that Landlord is required to perform under this Lease promptly and in a manner which shall not unreasonably interfere with Tenant's use and occupancy.

13. INTERRUPTION; INABILITY TO PERFORM. (a) Tenant shall not be entitled to any reduction of Rent by reason or on account of: (i) the installation, use, or interruption of use of, any systems or equipment in connection with furnishing any heating, air conditioning, electrical, ventilation, plumbing, alarm, mechanical, communications or other services for the Premises or the building in which the Premises is located; or (ii) the failure to furnish or delay in furnishing any of the foregoing services.

(b) Landlord shall use reasonable efforts to make any repairs it is required to make under this Lease within a reasonable period of time.

However, if Landlord is unable to perform, or is delayed in performing, any construction, installations, decorations, repairs, alterations, additions or improvements under this Lease, or is unable to fulfill or delayed in fulfilling any of its other obligations under this Lease by reason of acts of God, accidents, breakage, strikes or other labor disputes of any character, inability to obtain utilities or materials, or any other reason beyond Landlord's reasonable control, then no inability or delay by Landlord shall: (i) constitute an actual or constructive eviction, in whole or in part; (ii) entitle Tenant to any abatement or diminution of Rent; (iii) relieve Tenant from any of its obligations under this Lease; or (iv) impose any liability upon Landlord for any inconvenience, annoyance, interruption, injury or loss to or interference with Tenant's business or use and occupancy or quiet enjoyment of the Premises or any loss or damage occasioned thereby.

14. CONDEMNATION. (a) If all or a substantial part (as hereinafter defined) of the Premises, or the use or occupancy of a substantial part of the Premises, is taken or condemned by any governmental or quasi-governmental authority for any public or quasi-public use or purpose

(including a sale thereof under threat of such a taking), then this Lease shall terminate on the date title thereto vests in such governmental or quasi-governmental authority, and all Rent payable hereunder shall be apportioned as of such date.

(b) If less than a substantial part of the Premises, or if the use or occupancy of less than a substantial part of the Premises, is taken or condemned by any government or quasi-governmental authority for any public or quasi-public use or purpose (including a sale thereof under threat of such a taking), then this Lease shall continue in full force and effect as to the portion of the Premises not so taken or condemned, except that as of the date title vests in the governmental or quasi-governmental authority, Tenant shall not be required to pay Rent with respect to the portion of the Premises taken or condemned (and a proportionate reduction of Rent shall be made on account of portion of the Premises so taken or condemned).

If this Lease continues, Landlord shall restore and repair at its own expense, as speedily as circumstances permit, the Premises as a complete unit of substantially the same proportionate usefulness, design and construction as existing immediately before the taking. During the period required for restoration and repair, the Rent shall be abated appropriately based on the extent to which the making of repairs shall interfere with the business carried on by Tenant in the Premises. Landlord's obligation to restore and repair the Premises is subject to the prior right of Landlord's lenders to receive the proceeds from any condemnation. Any obligation of Landlord shall be limited to the extent condemnation proceeds are actually received by Landlord and released by its lenders for these repairs.

(c) For purposes of this Paragraph 14, a substantial part of the Premises shall be considered to have been taken if more than twenty percent (20%) of the Premises is taken or is rendered unusable as a result of such condemnation.

(d) Except as specifically provided otherwise in this Paragraph 14(d), all awards, damages and other compensation paid by the condemning authority on account of such taking or condemnation (or sale under threat of such a taking) shall belong to Landlord. Tenant agrees not to make any claim against Landlord or the condemning authority for any portion of such award or compensation attributable to damages to the Premises or leasehold improvements, except for costs of leasehold improvements paid for by Tenant. Nothing contained herein, however, shall prevent Tenant from pursuing a separate claim against the condemning authority for relocation expenses and for the value of furnishings, equipment and trade fixtures installed in the Premises at Tenant's expense and which Tenant is entitled pursuant to this Lease to remove at the expiration or earlier termination of the Term, provided that such claim shall in no way diminish the award or compensation payable to or recoverable by Landlord in connection with such taking or condemnation.

15. ASSIGNING AND SUBLETTING. (a)(i) Except as set forth herein, Tenant shall not assign, transfer, mortgage or otherwise encumber this Lease or any of Tenant's rights hereunder or interest herein, or sublet any portion of the Premises, without obtaining the prior written consent of Landlord and Landlord's lenders, which consent may be withheld or granted in Landlord's and its lenders' sole discretion. No assignment or transfer of this Lease or the right of occupancy hereunder may be effectuated by operation of law or otherwise without the prior

written consent of Landlord. The consent by Landlord to any assignment, subletting or occupancy shall not be construed as a waiver or release of Tenant from liability for the performance of any covenant or obligation to be performed by Tenant under this Lease, nor shall the collection or acceptance of Rent from any assignee, subtenant or occupant constitute a waiver or release of Tenant from any of its liabilities or obligations under this Lease. Landlord's consent to any assignment, subletting or occupancy shall not be construed as relieving Tenant or any assignee, subtenant or occupant from the obligation of obtaining Landlord's prior written consent to any subsequent assignment, subletting or occupancy. For any period during which Tenant is in default hereunder, Tenant hereby assigns to Landlord the rent due from any assignee, subtenant or occupant of Tenant and hereby authorizes each such assignee, subtenant or occupant to pay said rent directly to Landlord.

(ii) If at any time during the Term, Tenant desires to transfer, assign or sublet all or part of its interest in the Premises, then in connection with Tenant's request to Landlord for Landlord's consent thereto, Tenant shall give notice to Landlord in writing of the identity of the proposed assignee or subtenant and its business, the terms of the proposed assignment or subletting, and the commencement date of the proposed assignment or subletting. Tenant shall also transmit therewith the most recent financial statement or other evidence of financial responsibility of such assignee or subtenant and a certification executed by Tenant and such proposed assignee or subtenant stating whether or not any premium or other consideration is being paid for the proposed assignment or sublease.

(iii) All restrictions and obligations imposed pursuant to this Lease on Tenant shall be deemed to extend to any assignee, subtenant or occupant of Tenant, and Tenant shall cause such person or entity to comply with the restrictions and obligations.

(iv) Any attempted assignment or sublease by Tenant in violation of the terms and covenants of this Lease shall be null and void.

(b) (i) Landlord may assign its interest in the Premises. In the event that Landlord elects to assign, transfer, convey or hypothecate its rights hereunder at any time during the Term, Tenant covenants and agrees to give its acknowledgments of the conveyance in writing upon request and to execute any reasonable written instruments as may be necessary or requested in connection therewith.

(ii) Tenant agrees that upon assignment of Landlord's interest, Landlord shall be relieved of further responsibilities under this Lease upon Landlord's assignee assuming all obligations of Landlord, and Tenant shall attorn to the assignee.

16. TENANT DEFAULT. (a) The following shall constitute events of default by Tenant: (i) failure to pay Rent or any other amount owed hereunder when the same is due and payable under the terms of this Lease, and the default shall continue for a period of ten (10) days after written notice thereof has been given to Tenant by Landlord; (ii) failure to perform or comply with any other duty, obligation, covenant, restriction or term imposed upon it by this Lease and the default shall continue for a period of twenty (20) days after written notice thereof has been given to Tenant by Landlord, or if the performance cannot reasonably be completed

within twenty (20) days, Tenant shall not in good faith have commenced performance within the twenty (20) day period and shall not diligently proceed to completion of performance; (iii) an Event of Bankruptcy, as defined in Paragraph 16(c); (iv) abandonment or surrender of the Premises or Tenant's leasehold estate; or (v) the dissolution of Tenant or liquidation or sale of substantially all of Tenant's assets.

(b) To the extent not prohibited by law, in the event of any default by Tenant hereunder and upon giving the written notice as stated in Paragraph 16(a), Landlord shall have the right to cancel and terminate this Lease as well as all of the right, title and interest of Tenant hereunder, without the necessity of providing Tenant with any additional notice of cancellation and termination. To the extent not prohibited by law, Landlord may re-enter the Premises after expiration of the notice period and remove the property and personnel of Tenant, and store the property in a public warehouse or at a place selected by Landlord, at the expense of Tenant. On termination, Landlord may recover from Tenant all damages proximately resulting from the default, including the cost of recovering the Premises. Upon re-entry, Landlord shall make every reasonable effort to re-let the Premises or any part thereof at the best rent and on the best terms as Landlord can obtain, at the expense of Tenant, and Landlord may make alterations and repairs to the Premises, if necessary to obtain a re-letting, all for the purpose of reducing its losses and minimizing the liabilities of Tenant hereunder. Tenant shall be liable for all expenses of the re-letting, including commissions, all necessary expenses of alterations and repairs, and for the difference between the rent received by Landlord under a new lease and the Rent that is due for the same period under this Lease. In the event of default, Tenant shall also be liable to Landlord for any unpaid sums for which Tenants is responsible under this Lease, including without limitation taxes and utility charges.

(c) The following shall be Events of Bankruptcy under this Lease: (i) Tenant becoming insolvent, as that term is defined in Title 11 of the United States Code (the "Bankruptcy Code"), or under the insolvency or receivership laws of any state (the "Insolvency Laws"); (ii) the appointment of a receiver or custodian for any or all of Tenant's property or assets or the institution of a foreclosure action upon any of Tenant's real or personal property; (iii) Tenant's filing or consenting to a petition under the provisions of the Bankruptcy Code or the Insolvency Laws; (iv) the filing of a petition against Tenant as the subject debtor under the Bankruptcy Code or Insolvency Laws, which is not consented to by such subject debtor and which either (1) is not dismissed within ninety (90) days of filing, or (2) results in the issuance of an order for relief against the debtor; or (v) Tenant's making or consenting to an assignment for the benefit of creditors.

Upon occurrence of an Event of Bankruptcy, Landlord shall have all rights and remedies available to Landlord pursuant to Paragraph 16(b); provided, however, that while a case in which Tenant is the subject debtor under the Bankruptcy Code or Insolvency Laws is pending, Landlord shall not exercise Landlord's rights and remedies pursuant to Paragraph 16(b) so long as applicable law does not allow Landlord to do so.

Tenant shall be liable for all costs incurred by Landlord, including reasonable attorneys' fees, in protecting or asserting Landlord's rights and/or remedies under this Lease in any proceeding under the Bankruptcy Code or Insolvency Laws.

17. LANDLORD DEFAULT. Subject to Paragraph 13, if Landlord fails to perform any duties or obligations imposed on it by this Lease and the default continues for a period of twenty (20) days after written notice thereof has been given to Landlord by Tenant, or if performance cannot reasonably be completed within twenty (20) days, Landlord shall not in good faith have commenced performance within the twenty (20) day period and shall not diligently proceed to completion of performance, Tenant shall have the right to cancel and terminate this Lease without the necessity of providing Landlord with any additional notice of cancellation and termination. In the event of termination, Tenant shall not have any further obligation or liability to Landlord for the payment of Rent or other sums due hereunder accruing after the date of termination.

18. LATE CHARGES. Tenant acknowledges that late payment by Tenant to Landlord of Rent or other sums due hereunder will cause Landlord to incur costs not contemplated by this Lease, the exact amount of these costs being extremely difficult and impractical to fix. These costs include, without limitation, processing and account charges and late charges that may be imposed on Landlord by the terms of any encumbrances covering the Premises or the Property. Therefore, if any installment of Rent or other sums due from Tenant is not received by Landlord within seven (7) days after it is due, Tenant shall pay to Landlord an additional sum of five percent (5%) of the overdue installment as a late charge. Acceptance of any late charge shall not constitute a waiver of Tenant's default with respect to the overdue amount or prevent Landlord from exercising any of the other rights and remedies available to Landlord.

19. INDEMNITY. Tenant hereby indemnifies and holds Landlord harmless from and against any claim, loss or liability which may arise out of: (a) Tenant's use and occupancy of the Premises; (b) Tenant's business carried on in the Premises; and (c) except for Landlord's gross negligence or willful misconduct, any death, injury damage or property damage to anyone (including its employees, agents, vendors, contractors and invitees) coming to the Premises or the Property on account of Tenant. Tenant's obligations under this Paragraph shall survive the expiration or termination of this Lease.

20. SUBORDINATION AND ATTORNMENT. (a) Tenant hereby subordinates all of its right, title and interest in and under this Lease: (i) to the lien of any deed of trust signed by Landlord; (ii) the lien resulting from any other method of financing or refinancing by Landlord; (iii) to all replacements, renewals, modifications or extensions of the foregoing (i.e., (i) and (ii)) that may now or hereafter affect the Premises or Property; and (iii) against any improvements hereafter placed on the Property. On demand, Tenant shall execute, acknowledge and deliver to Landlord all instruments that may be necessary or proper to subordinate this Lease and all rights therein to (a), (b) or (c).

(b) In the event of any foreclosure proceeding against Landlord's interest, Tenant agrees that it will attorn to the mortgagee upon notice by the mortgagee and will thereafter make all payments including without limitation Rent, directly to the lender, mortgagee or other person as designated by the lender or mortgagee. However, Tenant's obligation to subordinate its rights under this Lease and to attorn to the lender or mortgagee shall be

contingent upon the lender's or mortgagee's execution of a non-disturbance agreement agreeing that Tenant's rights and benefits under this Lease shall not be interrupted as long as Tenant performs all of its covenants and obligations under this Lease.

(c) Tenant agrees to give any lender of Landlord and/or the mortgagee, by certified mail, a copy of any notice of default served upon Landlord, provided that prior to the notice, Tenant has been notified in writing (by way of notice of assignment of rents and leases or otherwise) of the addresses of the lender and/or mortgagee. Tenant further agrees that if Landlord shall have failed to cure a default as required by the terms of this Lease, then the lender and/or mortgagee shall have the same right to cure any default within the time period afforded Landlord after receipt of notice or, if the default cannot be cured within that time period, then any additional time as may be necessary if, within this period of time, the lender and/or mortgagee has commenced and is diligently pursuing the remedies necessary to cure the default (including without limitation commencement of foreclosure proceedings, if necessary to effect a cure). In this event, this Lease shall not be terminated while the remedies are being so diligently pursued.

(d) Tenant expressly agrees that any lender of Landlord and/or mortgagee shall not be held subject to any liability or obligation to Tenant under this Lease or otherwise, unless and until the lender and/or mortgagee obtains title to the Premises or the Property as a result of foreclosure or otherwise. In this event, Landlord's lender or the mortgagee shall be subject to only those liabilities or obligations arising subsequent to the date the lender or mortgagee obtains title to the Property.

21. ESTOPPEL CERTIFICATES. At any time and from time to time, within ten (10) days after written request from Landlord, Tenant shall execute, acknowledge and deliver to Landlord or to any party designated by Landlord a certificate from Tenant ("Estoppel Certificate") stating: (a) that Tenant has accepted the Premises, (b) the Actual Commencement Date and expiration of this Lease, (c) that this Lease is unmodified and in full force and effect (or, if there have been modifications, that it is in full force and effect as modified and stating the modifications), (d) whether or not there are then existing any defenses against the enforcement of any of the obligations of Tenant under this Lease (and if so, specifying them), (e) whether or not there are then existing any defaults by Landlord in the performance of its obligations under this Lease (and if so, specifying them), (f) the dates, if any, to which Rent and other charges under this Lease have been paid, and (g) any other information that may reasonably be requested. Tenant's failure to execute an Estoppel Certificate within ten (10) days after written demand by Landlord shall constitute an event of default by Tenant hereunder. Any Estoppel Certificate may be relied upon by Landlord and by any prospective purchaser, lender or mortgagee considering the purchase of, or a loan on, all or any part of the Premises or Property.

22. SURRENDER OF PREMISES. (a) On the expiration of the Term or the termination of this Lease, Tenant shall surrender to Landlord the Premises and all of Tenant's improvements and the Alterations (excluding laboratory equipment and other moveable personal property of Tenant) in good condition, except for ordinary wear and tear. Heating, air conditioning and lighting shall be in good working order. Tenant shall remove all of its personal

property and shall perform all restoration made necessary by the removal of any of Tenant's equipment or other personal property upon expiration of the Term or termination of this Lease.

(b) Landlord may elect to retain or dispose of, in any manner, any of Tenant's personal property that Tenant does not remove from the Premises on expiration of the Term or the termination of this Lease by giving at least ten (10) days' notice to Tenant. Title to any of Tenant's personal property that Landlord elects to retain or dispose of on such expiration or termination shall vest in Landlord. Tenant waives all claims against Landlord for any damages to Tenant resulting from Landlord's retention or disposition of such personal property. Tenant shall be liable to Landlord for Landlord's cost of storing, removing and disposing of any of Tenant's personal property left in the Premises after the expiration of the Term or the termination of this Lease.

(c) If Tenant fails to surrender the Premises to Landlord on expiration of the Term or termination of this Lease, Tenant shall hold Landlord harmless from all damages resulting from Tenant's failure to surrender the Premises including, without limitation, claims made by a succeeding tenant resulting from Tenant's failure to surrender the Premises.

The provisions of this Paragraph 22 shall survive the expiration of the Term and the termination of this Lease.

23. HOLDING OVER. If Tenant retains possession of the Premises or any part thereof after the expiration of the Term (as may be properly renewed hereunder) or the termination of this Lease, then Tenant shall be deemed a tenant of the Premises from month-to-month subject to all the terms and provisions hereof, except as to the term of this Lease and except that Tenant shall pay Rent for each month after such expiration or termination at a rate of one hundred twenty-five percent (125%) of the Rent payable for the last month of the Term, computed on a daily basis for each day that Tenant remains in possession. Except for the term and the increased Rent, all other terms and conditions of this Lease shall remain in full force and effect during the holdover period. In addition, upon the expiration or termination of this Lease, Tenant shall be liable for, and pay to Landlord, all damages, consequential as well as direct, sustained by reason of Tenant's holding over beyond the expiration or termination of this Lease.

The provisions of Paragraph 23 shall survive the expiration or termination of this Lease.

24. SIGNS. No other sign, advertisement or notice referring to Tenant shall be placed or otherwise displayed on the Premises, the building in which the Premises is located, or the Property, that has not been approved by Landlord, but approval shall not unreasonably be withheld or delayed. If any such sign, advertisement or notice has not been approved by Landlord, then Landlord shall have the right to remove it at Tenant's expense. All of Tenant's signs shall be: (a) installed after Tenant has obtained all permits and approvals required therefor; and (b) installed, maintained, repaired and replaced in a first class manner. Landlord reserves the right to display signs and advertisements on this Leased Premises: (i) at any time, if Landlord desires to sell the Property or a portion thereof; (ii) if Landlord desires to lease the Premises, during the five (5) months immediately prior to the expiration of the Term, if this Lease is not

going to be renewed; and (iii) at any time that Landlord desires to lease any portion of the building in which the Premises is located (other than the Premises) or any other part of the Property.

25. RULES AND REGULATIONS. Tenant shall faithfully observe and comply with the rules and regulations attached to this Lease as Exhibit "B," which Exhibit is incorporated herein by reference, and all modifications thereof and additions thereto from time to time put into effect by Landlord after prior written notice to Tenant (the "Rules and Regulations"). Landlord may reasonably modify and supplement the Rules and Regulations from time to time. In the event of any conflict between the provisions of this Lease and the Rules and Regulations, this Lease shall control.

26. WAIVER. The failure of either Landlord or Tenant to insist on a strict performance of any of the terms and conditions herein contained in any instance shall not be deemed a waiver in any subsequent instance or for any subsequent breach or default in any terms and conditions.

27. NOTICES. All Rent and other payments and notices required to be given to Landlord under this Lease shall be sent to Landlord, as follows:

Premier Development Group, LLC
Attn.: President
1850 Business Park Drive
Clarksville, Tennessee 37040.

All notices required to be given to Tenant under this Lease shall be sent to Tenant, as follows:

Premier Medical Group, P.C.
Attn.: Chief Administrator
1850 Business Park Drive
P. O. Box 3799
Clarksville, Tennessee 37043-3799.

Either Landlord or Tenant may change its address by giving notice thereof to the other in accordance with the provisions of this Paragraph.

The time of delivery of any notice shall be: (a) if mailed, three (3) days after the date of mailing, postage prepaid; (b) if sent by courier, upon delivery; or (c) if hand-delivered, upon delivery. If Tenant is notified of the identity and address of Landlord's lenders and mortgagees, Tenant shall send to them written notice of any default by Landlord under the terms of this Lease, by registered or certified mail, postage prepaid, return receipt requested, and they shall be given a reasonable opportunity to cure a default prior to Tenant exercising any remedy available to it.

28. COURT COSTS AND ATTORNEY FEES. Tenant agrees to pay all costs of collection, including court costs and reasonable attorney fees, if all or any part of the Rent or other sums owed by Tenant pursuant to this Lease are not timely paid and Landlord's engages an attorney to assist in the collection thereof. In the event it becomes necessary for either party to employ an attorney to successfully compel the other party to comply with or perform any of the covenants, obligations or conditions imposed on the party by this Lease, the party failing to perform the covenants, obligations or conditions shall pay all reasonable attorney fees incurred by the other party and all costs of litigation necessary to compel performance.

29. ENVIRONMENTAL PROTECTION. (a) Except as permitted in Paragraph 5(d), Tenant shall not cause or permit the release or disposal of any hazardous substances, wastes or materials, on or about this Premises or the Property. "Hazardous substances" as such term is used in this Lease means any hazardous, radioactive or toxic substance, material or waste, regulated or listed pursuant to any federal, state or local environmental law, including without limitation, the Clean Air Act, the Clean Water Act, the Toxic Substances Control Act, the Comprehensive Environmental Response Compensation and Liability Act, the Resource Conservation and Recovery Act, the Federal Insecticide, Fungicide and Rodenticide Act, the Safe Drinking Water Act, the Occupational Safety and Health Act, the National Environmental Policy Act, the Tennessee Hazardous Waste Management Act, the Tennessee Hazardous Substances Act, and the Tennessee Petroleum Underground Storage Tank Act. Tenant shall comply with all rules and policies set by Landlord (whether currently in force or hereafter set), and with all federal, state and local laws, regulations and ordinances which govern the use, storage, handling and disposal of hazardous substances, wastes or materials.

Tenant agrees that if Tenant at any time has reasonable cause to believe there is a hazardous substance in the Premises except those described in Paragraph 5(d), Tenant shall notify Landlord within twenty-four (24) hours after Tenant becomes aware of the facts or circumstances giving rise to this belief. Upon receiving a written notification, Landlord may obtain, at Tenant's expense, an environmental audit or assessment from a firm acceptable to Landlord to assess situation.

(b) Tenant agrees that in the event of the presence of a hazardous substance in the Premises or if Tenant fails to comply with any of the requirements of Paragraph 29(a), Landlord may, at its option, but without the obligation to do so, cause any work to be performed in the Premises or on the Property or take any other action as Landlord deems necessary or advisable in order to abate, remove and clean up the hazardous substance or otherwise cure Tenant's non-compliance.

(c) Tenant agrees to indemnify and hold harmless Landlord, its lenders and mortgagees, from and against all claims, damages, losses, liabilities and expenses, including without limitation reasonable attorney, consulting, engineering, and expert witness fees and other expenses, which may be imposed upon or incurred by Landlord, its lenders and/or mortgagees, whether by a private individual or entity or any governmental entity, arising out of or in connection with: (i) any hazardous substance which at any time during the Term was located in the Premises, or was placed on the Property by Tenant, its employees, agents, contractors or

invitees, or (ii) Tenant's failure to comply with the provisions of Paragraph 29(a). The provisions of this Paragraph 29(c) shall survive the expiration and termination of this Lease.

30. NO BROKERS. Landlord and Tenant each represent and warrant to the other that neither of them has employed or dealt with any broker, agent or finder in connection with this Lease.

31. MISCELLANEOUS. (a) The terms, covenants and conditions of this Lease shall bind and inure to the benefit of Landlord and Tenant and their respective successors, representatives and permitted assigns.

(b) This Lease shall be governed by and construed in accordance with the laws of the State of Tennessee.

(c) Any provision of this Lease which shall prove to be invalid, illegal or unenforceable shall not impair or invalidate any other provisions of this Lease, all of which shall remain in full force and effect. Should any provision be properly determined to be invalid, illegal or unenforceable, it shall automatically be amended to make it valid, legal and enforceable, but keeping it as close to its original meaning as possible.

(d) This Lease contains the entire agreement between the parties. Except as specifically provided otherwise herein, this Lease may be terminated or amended only by a written instrument signed by both Landlord and Tenant.

(e) Time is of the essence of this Lease and each of its provisions in which performance is a factor.

32. EXHIBITS. Attached hereto and comprising a part of this Lease are the following exhibits:

Exhibit "A" - Location of Premises and Building/Premises Plans
Exhibit "B"- Building/Premises Rules and Regulations.

33. FUTURE CONSTRUCTION: OTHER LEASED SPACE ON PROPERTY. It is anticipated that at some time during the Term of this Lease, Landlord will further develop and construct upon the Property another building (in addition to the one in which the Premises will be located) and/or will add on to the building in which the Premises will be located, to create more rentable space (in addition to the space leased by Tenant pursuant to this Lease). After such construction, the Rent under this Lease will continue as provided herein, and Tenant will continue to pay all expenses related to the Premises and its business carried out thereon, but the other amounts that Tenant must pay under this Lease, such as those due under Paragraph 6, shall be equitably adjusted to take into account the new construction and/or new lessees, so that they are equitably apportioned between the parties using the Property. For example, a new lessee will likely be using (with Tenant) the driveways and parking lots on the Property, and expenses relating to such driveways and parking lot (and the maintenance thereof) shall then be equitably split between them (such as on a prorata basis based on the square footage leased). If Tenant

leases additional space on the Property at a later date (i.e., more space than is in the Premises initially), it shall enter into a separate lease for such space, as this Lease will not cover it, unless it is specifically amended by Landlord and Tenant.

Tenant acknowledges that Landlord's future plans for the Property include its development and additional construction thereon (in addition to the construction of the building in which the Premises will be located), and Tenant and Landlord agree to work together in good faith to allow: (a) Landlord to perform such tests and take such actions as needed to prepare for such future construction, and thereafter to carry out such construction; and (b) to carry out its business without significant disruption during such construction.

IN WITNESS WHEREOF, this Lease has been duly executed in duplicate originals by the parties as of the date first above written.

LANDLORD:

PREMIER DEVELOPMENT GROUP, LLC

By: _____

Name: GHOLAMABBAS KARVI

Title: Secretary

TENANT:

PREMIER MEDICAL GROUP, PC

By: _____

Name: Peter A. Silkowski, D.O. FAAFP

Title: President

STATE OF TENNESSEE)

COUNTY OF MONTGOMERY)

Personally appeared before me, the undersigned, a Notary Public in and for said county and state, Giri Korivi, M.D., with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), who acknowledged that he executed the within instrument for the purposes therein contained, and who further acknowledged that he is the President of the maker, Premier Development Group, LLC, and is authorized by the maker to execute this instrument on behalf of the maker.

Witness my hand and office seal, at Clarksville, Tennessee, this 15th day of July, 2014.

Lesa S. Goder
Notary Public

LESA S. GODER NOTARY PUBLIC AT LARGE MONTGOMERY CO. TENN.

My Commission Expires: 9-16-2015

STATE OF TENNESSEE)

COUNTY OF MONTGOMERY)

Personally appeared before me, the undersigned, a Notary Public in and for said county and state, Peter Silkowski, D.O., with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), who acknowledged that he executed the within instrument for the purposes therein contained, and who further acknowledged that he is the President of the maker, Premier Medical Group, P.C., and is authorized by the maker to execute this instrument on behalf of the maker.

Witness my hand and office seal, at Clarksville, Tennessee, this 15th day of July, 2014.

Lesa S. Goder
Notary Public

LESA S. GODER NOTARY PUBLIC AT LARGE MONTGOMERY CO. TENN.

My Commission Expires: 9-16-2015

EXHIBIT "A"

LOCATION OF PREMISES AND BUILDING AND PREMISES PLANS

490 Dunlop Ln
Clarksville, TN 37040

EXHIBIT "C"

RULES AND REGULATIONS

1. No sign, placard, picture, advertisement, name or notice shall be displayed or affixed on or to any part of the outside or inside of the Premises without the prior written consent of Landlord and Landlord shall have the right to remove any sign, placard, picture, advertisement, name or notice which it has not approved without notice to and at the expense of Tenant. All approved signs or lettering on doors shall be printed, painted, affixed or inscribed at the expense of Tenant by a person approved of by Landlord. Tenant shall not place anything or allow anything to be placed near the glass of any window, door, partition or wall which may appear unsightly from outside the Premises. However, at its option, Landlord may furnish and install at any time a Premises-standard window covering at all exterior windows. Tenant shall not cause or otherwise sun screen any window without prior written consent of Landlord.

2. Tenant shall not alter any lock or install any new or additional locks or any bolts on any doors or windows of the Premises without the written consent of Landlord.

3. The toilet rooms, urinals, washbowls and other apparatus shall not be used for any purpose other than that for which they were constructed, and no foreign substance of any kind whatsoever shall be thrown therein, and the expense of any breakage, stoppage or damage resulting from the violation of this rule shall be borne by Tenant, unless it can show that neither it nor its employees, agents, contractors, vendors or invitees, have caused such breakage, stoppage or damage.

4. Tenant shall not overload the floor of the Premises or in any way deface the Premises or any part thereof.

5. No furniture, freight or equipment of any kind shall be brought into the Premises without prior notice to Landlord, and all moving of the same into or out of the Premises shall be done at the time and the manner as Landlord shall reasonably designate. Landlord shall have the right to prescribe the weight, size and position of all safes and other heavy equipment brought into the Premises and also the times and manner of moving the same in and out of the Premises. Safes or other heavy objects, if considered necessary by Landlord, shall stand on support of the thickness as is necessary to properly distribute the weight. Landlord will not be responsible for loss of or damage to any safe or property from any cause, and all damage done to the Premises by moving or maintaining any safe or other property shall be repaired at the expense of Tenant.

6. Tenant shall not use, keep or permit to be used or kept any foul or noxious gas or substance in the Premises, or permit or allow the Premises to be occupied or used in a manner offensive or objectionable to Landlord by reason of noise, odors, and/or vibrations, or interfere in any way with other tenants or those having business therein, nor shall any animals or birds be brought in or kept in or about the Premises.

7. No cooking shall be done or permitted by any Tenant on the Premises, nor shall the Premises be used for the storage of merchandise, for washing clothes, for lodging, or for any improper or immoral purposes.

8. Tenant shall not use or keep in the Premises any kerosene, gasoline or inflammable or combustible fluid or material, or use any method of heating or air conditioning other than that approved by Landlord.

9. Landlord will direct electricians as to where and how telephone and telegraph wires are to be installed. No boring or cutting for wires will be allowed without the consent of Landlord. The location of telephones, call boxes and other office equipment affixed to the Premises shall be subject to the approval of Landlord.

10. Landlord reserves the right to exclude or expel from the Premises any person who, in the judgment of Landlord, is intoxicated or under the influence of liquor or drugs, or who shall in any manner do any act in violation of any of the rules and regulations of the Premises.

SECTION A:

APPLICANT PROFILE

Item #13
Discuss any out-of-network relationship in place with MCOs/BHOs in the area.

Response:
Premier Medical Group, PC has many Managed Care Contracts. Premier Medical Group, PC has no out-of-network relationship at this time.

SECTION A:

APPLICANT PROFILE

Item #13
Discuss any out-of-network relationship in place with MCOs/BHOs in the area.

Premier Medical Group, PC TennCare MCO Programs:

- **BlueCare**
- **TennCare Select**
- **CoverKids**
- **United Healthcare Community Plan**
- **Amerigroup**

Premier Medical Group, PC - tax id 62-1586159
Shareholder List
As of July 1, 2014

Shareholder			Ownership
First	**Last**		**%**
Jeff	Anderson,	M.D.	3.45%
Ted	Brandon,	M.D.	3.45%
Tommy	Carman,	D.O.	3.45%
Vernon M.	Carrigan,	M.D.	3.45%
Cortney	Cabell,	M.D.	3.45%
Paul	Darke	M.D.	3.45%
Jeffrey	Hamre,	D.O.	3.45%
Laurie	Harris-Ford,	M.D.	3.45%
Deborah	Hellums,	M.D.	3.45%
David	Johnston	M.D.	3.45%
Robert	Kasper	M.D.	3.45%
Shawn	King	M.D.	3.45%
Giri	Korivi	M.D.	3.45%
Jyotsna	Korivi	M.D.	3.45%
Joseph	Kosinski	M.D.	3.45%
George	Lu	M.D.	3.45%
Greta	Manning	M.D.	3.45%
Denise	Milam,	M.D.	3.45%
Daniel	Miller	M.D.	3.45%
William	Moore,	M.D.	3.45%
William	Prine,	M.D	3.45%
Timothy	Roads,	M.D.	3.45%
Kimberly	Sawyer,	M.D.	3.45%
Stephanie	Schultz,	M.D.	3.45%
Jennifer	Seawell,	M.D.	3.45%
Lance	Sherley,	D.O.	3.45%
Peter	Silkowski,	M.D.	3.45%
Bradley	VanderVeen	M.D.	3.45%
Eliza	Whitten	M.D.	3.45%
	29 shareholder's		100.00%

PREMIER DEVELOPMENT GROUP, LLC
Membership

PDG, LLC Member	Member LLC Shares	Governance & Financial Rights %
PMG, PC	5.61	13.99%
1. Anderson	2.0	4.99%
2. Birnbaum	1.0	2.49%
3. Brandon	1.0	2.49%
4. Carman	1.0	2.49%
5. Carrigan	1.5	3.74%
6. Darke	1.0	2.49%
7. Hamre	2.0	4.99%
8. Harris-Ford	1.5	3.74%
9. Huffman	1.0	2.49%
10. Johnston	1.0	2.49%
11. Kasper	1.0	2.49%
12. King	0.5	1.25%
13. Korivi, J	1.0	2.49%
14. Korivi, G	2.0	4.99%
15. Kosinski	1.0	2.49%
16. Lu	1.0	2.49%
17. Manning	1.0	2.49%
18. Milam	1.0	2.49%
19. Miller	1.0	2.49%
20. Moore	2.0	4.99%
21. Roads	1.5	3.74%
22. Sawyer	2.0	4.99%
23. Seawell	1.0	2.49%
24. Sherley	1.0	2.49%
25. Silkowski	1.0	2.49%
26. VanderVeen	1.0	2.49%
27. Wade	1.0	2.49%
28. Matson	1.0	2.49%
29. Roberts	0.5	1.25%
	40.11	100.00%

List of MRI procedures

GovSq Premier Imaging RAD_MRI

- MRA Abdomen 90 (90 min)
- MRA Head 30 (30 min)
- MRA Head With (30 min)
- MRA Head WO (30 min)
- MRA Head WO/W (60 min)
- MRA Neck With (30 min)
- MRA Neck WO (30 min)
- MRA Neck WO/W (60 min)
- MRI 30 (30 min)
- MRI 60 (60 min)
- MRI 90 (90 min)
- MRI Abdomen 60 (60 min)
- MRI Ankle 60 (60 min)
- MRI Brain 60 (60 min)
- MRI Brain with Iacs (60 min)
- MRI Brain with Orbits (90 min)
- MRI Cervical (30 min)
- MRI Cervical W/WO (60 min)
- MRI Elbow (60 min)
- MRI Foot (60 min)
- MRI Hip (60 min)
- MRI Knee (30 min)
- MRI Lumbar (30 min)
- MRI Lumbar W/WO (60 min)
- MRI Pelvis (60 min)
- MRI Shoulder (30 min)
- MRI Thoracic (30 min)
- MRI Thoracic W/WO (60 min)
- MRI Wrist (60 min)

K091536

JUL 17 2009

GE Healthcare

3200 N. Grandview Blvd.
Waukesha, WI 53188
USA

Section 5 – 510(k) Summary

This 510(k) summary of safety and effectiveness information is submitted in accordance with the requirements of 21 CFR Part 807.92(c).

Submitter: GE Healthcare
3200 N. Grandview Blvd.
Waukesha, WI 53188

Contact Person: Mark Stauffer
Regulatory Affairs Leader

Telephone: 262 – 521 – 6891
Fax: 262 – 521 - 6439
Email: mark.x.stauffer@ge.com

Date Prepared: 15 May 2009

Device Name:

Proprietary Name: Optima MR450w
Classification Name: Magnetic Resonance Diagnostic System, 21 CFR 892.1000, 90-LNH

Predicate Device:
GE Discovery® MR450 System (K083147)

Device Description:

The 1.5T GE Optima MR450w features a superconducting magnet operating at 1.5 Tesla. The data acquisition system accommodates up to 32 independent receive channels in various increments, and multiple independent coil elements per channel during a single acquisition series. The system uses a combination of time-varying magnetic fields (gradients) and RF transmissions to obtain information regarding the density and position of elements exhibiting magnetic resonance. The system can image in the sagittal, coronal, axial, oblique and double oblique planes, using various pulse sequences and reconstruction algorithms.. The 1.5T GE Optima MR450w is designed to conform to NEMA DICOM standards (Digital Imaging and Communications in Medicine).

Indications for Use:

The Optima MR450w is a whole body magnetic resonance scanner designed to support high resolution and high signal-to-noise ratio images in short exam times. It is indicated for use as a diagnostic imaging device to produce axial, sagittal, coronal, and oblique anatomical images, spectroscopic data, parametric maps, , or dynamic images of the structures or functions of the entire body. The indication for use includes, but is not limited to, head, neck, TMJ, spine, breast, heart, abdomen, pelvis, joints, prostate, blood vessels, and musculoskeletal regions of the body. Depending on the region of interest being imaged, contrast agents may be used.

The images produced by the Optima MR450w reflect the spatial distribution or molecular environment of nuclei exhibiting magnetic resonance. These images and spectra, when interpreted by a trained physician yield information that may assist in diagnosis.

Comparison with Predicate Devices:

The indications for use for the Optima MR450w System are similar to those for the GE Discovery® MR450 System.

Comparison statement between Optima MR450w and Discovery MR450 System :

The GE Optima MR450w is a new device design that is similar to the previously cleared 1.5T HDx MR system (K052293) with the main difference being the static magnet physical dimensions, which reflect the design objective of creating a larger diameter patient enclosure (bore). Both systems utilize superconducting magnets, gradients, and radio frequency coils and electronics to acquire data in single voxel, two-dimensional, or three-dimensional datasets. The operating software is common to both systems, as are the user applications provided with the system or offered as options.

Summary of Studies:

As stated in the FDA document "Guidance for the Submission of Premarket Notifications for Magnetic Resonance Diagnostic Devices" the following parameters have been measured

and documented through testing to NEMA, IEC or ISO standards (as referenced throughout this submission and listed in Section 9:

Performance:

Signal-to-noise ratio (SNR)
Geometric distortion
Image uniformity
Slice thickness
Spatial resolution

Safety

Static field strength
Acoustic noise
dB/dt
RF heating (SAR)
Biocompatibility

The Optima MR450w has been designed to comply with applicable IEC standards. It shall be certified by a Nationally Recognized Testing Laboratory to conform to IEC, UL and CSA standards prior to commercialization of the system.

Conclusion:

It is the opinion of GE that the GE Optima MR450w 1.5T system is substantially equivalent to the Discovery MR450 1.5T system.

DEPARTMENT OF HEALTH & HUMAN SERVICES

Public Health Service

Food and Drug Administration
9200 Corporate Boulevard
Rockville MD 20850

GE Medical Systems LLC
% Mr. Daniel W. Lehtonen
Senior Staff Engineer-Medical Devices
Intertek Testing Services NA, Inc.
2307 E. Aurora Rd., Unit B7
TWINSBURG OH 44087

JUL 17 2009

Re: K091536
Trade/Device Name: Optima MR 450w
Regulation Number: 21 CFR 892.1000
Regulation Name: Magnetic resonance diagnostic device
Regulatory Class: II
Product Code: LNH
Dated: July 2, 2009
Received: July 6, 2009

Dear Mr. Lehtonen:

We have reviewed your Section 510(k) premarket notification of intent to market the device referenced above and have determined the device is substantially equivalent (for the indications for use stated in the enclosure) to legally marketed predicate devices marketed in interstate commerce prior to May 28, 1976, the enactment date of the Medical Device Amendments, or to devices that have been reclassified in accordance with the provisions of the Federal Food, Drug, and Cosmetic Act (Act) that do not require approval of a premarket approval application (PMA). You may, therefore, market the device, subject to the general controls provisions of the Act. The general controls provisions of the Act include requirements for annual registration, listing of devices, good manufacturing practice, labeling, and prohibitions against misbranding and adulteration.

If your device is classified (see above) into either class II (Special Controls) or class III (PMA), it may be subject to additional controls. Existing major regulations affecting your device can be found in the Code of Federal Regulations, Title 21, Parts 800 to 898. In addition, FDA may publish further announcements concerning your device in the Federal Register.

Please be advised that FDA's issuance of a substantial equivalence determination does not mean that FDA has made a determination that your device complies with other requirements of the Act or any Federal statutes and regulations administered by other Federal agencies. You must comply with all the Act's requirements, including, but not limited to: registration and listing (21 CFR Part 807); labeling (21 CFR Part 801); medical device reporting (reporting of medical

device-related adverse events) (21 CFR 803); good manufacturing practice requirements as set forth in the quality systems (QS) regulation (21 CFR Part 820); and if applicable, the electronic product radiation control provisions (Sections 531-542 of the Act); 21 CFR 1000-1050.

If you desire specific advice for your device on our labeling regulation (21 CFR Part 801), please go to http://www.fda.gov/AboutFDA/CentersOffices/CDRH/CDRHOffices/ucm115809.htm for the Center for Devices and Radiological Health's (CDRH's) Office of Compliance. Also, please note the regulation entitled, "Misbranding by reference to premarket notification" (21CFR Part 807.97). For questions regarding the reporting of adverse events under the MDR regulation (21 CFR Part 803), please go to http://www.fda.gov/cdrh/mdr/ for the CDRH's Office of Surveillance and Biometrics/Division of Postmarket Surveillance.

You may obtain other general information on your responsibilities under the Act from the Division of Small Manufacturers, International and Consumer Assistance at its toll-free number (800) 638-2041 or (240) 276-3150 or at its Internet address http://www.fda.gov/cdrh/industry/support/index.html.

Sincerely yours,

Janine M. Morris
Acting Director, Division of Reproductive,
Abdominal, and Radiological Devices
Office of Device Evaluation
Center for Devices and Radiological Health

Enclosure

Indications for Use

510(k) Number (if known): K091536

Device Name: Optima MR450w

Indications for Use:

The Optima MR450w is a whole body magnetic resonance scanner designed to support high resolution and high signal-to-noise ratio images in short exam times. It is indicated for use as a diagnostic imaging device to produce axial, sagittal, coronal, and oblique anatomical images, spectroscopic data, parametric maps, or dynamic images of the structures or functions of the entire body. The indication for use includes, but is not limited to, head, neck, TMJ, spine, breast, heart, abdomen, pelvis, joints, prostate, blood vessels, and musculoskeletal regions of the body. Depending on the region of interest being imaged, contrast agents may be used.

The images produced by the Optima MR450w reflect the spatial distribution or molecular environment of nuclei exhibiting magnetic resonance. These images and spectra, when interpreted by a trained physician yield information that may assist in diagnosis.

Prescription Use X **AND/OR** **Over-the-Counter Use** _____
(21 CFR 801 Subpart D) (21 CFR 807 Subpart C)

(PLEASE DO NOT WRITE BELOW THIS LINE - CONTINUE ON ANOTHER PAGE IF NEEDED)

Concurrence of CDRH, Office of Device Evaluation (ODE)

(Division Sign-Off)
Division of Reproductive, Abdominal and Radiological Devices
510(k) Number K091536

Premier Medical Group MRI Schedule of Operations

2015

08:00 AM	MRI 30
08:10 AM	
08:20 AM	
08:30 AM	MRI 30
08:40 AM	
08:50 AM	
09:00 AM	MRI 30
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12:20 PM	Lunch 10
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12:50 PM	Lunch 10
01:00 PM	MRI 30
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2016

08:00 AM	MRI 30
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12:40 PM	Lunch 10
12:50 PM	Lunch 10
01:00 PM	MRI 30
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04:40 PM	
04:50 PM	

GE Capital
Healthcare Financial Services

Internal Contract Ref. # _____
Internal Order Ref. # _____

EQUIPMENT SCHEDULE
DATED AS OF _____
TO MASTER LEASE AGREEMENT
DATED AS OF _____

This Schedule is executed pursuant to, and incorporates by reference the terms and conditions of the Master Lease Agreement identified above (**"Agreement,"** said Agreement and this Schedule being collectively referred to as the **"Lease"**). Except as provided herein, capitalized terms not defined herein shall have the meanings assigned to them in the Agreement. This Schedule constitutes a separate instrument of lease.

1. EQUIPMENT: Subject to the terms and conditions of the Lease, Lessor agrees to lease to Lessee the Equipment described below (the **"Equipment"**)

Number Of Units	Site	Supplier/ Manufacturer	Model, VIN #, Unit # and/or Type Of Equipment

2. TERMS AND RENTALS:

A. Term of Schedule: ___ months. The term of this Schedule will commence on the Lease Commencement Date specified in the "Lease, Term and Rent Payments" section of the Agreement and continue for the term specified immediately above, subject to and in accordance with the terms and conditions of this Schedule. In the event that the Lease Commencement Date does not occur on or prior to _____, Lessor may at anytime thereafter, at its option, by written notice to Lessee, terminate this Schedule, after which termination this Schedule shall be of no further force or effect.

B. Advance Rental: $_____. Lessor will apply the Advance Rental to the Lessee's Monthly Rental under this Schedule for Month __.

C. Monthly Rental: ____ month(s) at $_____. In states assessing upfront sales and use tax, your Monthly Rentals will be adjusted to include the applicable sales and use tax amortized over the Term using a rate that preserves Lessor's economic yield for the transaction described in the Lease. Lessee's payment of Monthly Rentals to Lessor will be in accordance with the "Lease, Term and Rent Payments" section of the Agreement. The Monthly Rental payments reflect the _____ (__) Year Swap Rate of _____% (the **"Initial Swap Rate"**). Lessor reserves the right to adjust such payments on the Lease Commencement Date based on the number of basis points that the Swap Rate has changed from the Initial Swap Rate, or for other changes in market conditions as determined by Lessor in its sole discretion. In the event that any adjustment to the Monthly Rental payments is required to be made pursuant to this paragraph, Lessor may elect that no adjustment be made to the First Monthly Rental (as defined below) due hereunder, but rather that each Monthly Rental payment following the First Monthly Rental be adjusted to reflect the adjustment required to be made pursuant to this paragraph, as well as to reflect that no adjustment will be made to the First Monthly Rental. As used herein, **"First Monthly Rental"** shall mean the first Monthly Rental payment due under this Schedule which is greater than zero ($0) dollars. Interest shall be calculated on the basis of a 360-day year consisting of twelve (12) consecutive thirty (30)-day months for the actual number of days occurring in the period for which interest is payable.

(1) **"Swap Rate"** means the interest rate for swaps that most closely approximates the initial term of this Schedule as published on the date selected by Lessor, which date shall be no earlier than seven (7) business days immediately preceding the Lease Commencement Date, by the Federal Reserve Board in the Federal Reserve Statistical Release H.15 entitled "Selected Interest Rates" currently available online at http://www.federalreserve.gov/releases/h15/update/ or such other nationally recognized reporting source or publication as Lessor may specify.

D. Interim Rent: If the Lease Commencement Date is not the 1st or the 15th of any calendar month (a "Payment Date"), the initial Term shall be extended by the number of days between the Lease Commencement Date and the Payment Date which occurs after the Lease Commencement Date (the "Interim Rent Period"). Lessee shall pay interim rent for the Interim Rent Period. The interim rent will be due on the first payment due date and calculated as the Average Daily Rental Payment times the number of days in the Interim Rent Period. For purposes of this calculation, the "Average Daily Rental Payment" shall equal the aggregate Monthly Rental payments due under the Term of this Schedule divided by the product of the total number of Monthly Rentals times 30.

E. Property Tax: Lessee agrees that it will not list any of the Equipment for property tax purposes or report any property tax assessed against the Equipment until otherwise directed in writing by Lessor. Upon receipt of any property tax bill pertaining to the Equipment from the appropriate taxing authority, Lessor will pay such tax and will invoice Lessee for the expense. Upon receipt of such invoice, Lessee will promptly reimburse Lessor for such expense. Lessee's obligations under this paragraph shall survive any expiration or termination of this Schedule. Nothing in this paragraph shall be deemed to prohibit Lessee from reporting, for informational purposes only and to the extent required under applicable law, that it leases the Equipment.

3. ARTICLE 2A NOTICE: IN ACCORDANCE WITH THE REQUIREMENTS OF ARTICLE 2A OF THE UNIFORM COMMERCIAL CODE AS ADOPTED IN THE APPLICABLE STATE, LESSOR HEREBY MAKES THE FOLLOWING DISCLOSURES TO LESSEE PRIOR TO EXECUTION OF THE LEASE, (A) THE PERSON(S) SUPPLYING THE EQUIPMENT IS REFERENCED IN SECTION 1

ABOVE (THE **"SUPPLIER(S)"**), (B) LESSEE IS ENTITLED TO THE PROMISES AND WARRANTIES, INCLUDING THOSE OF ANY THIRD PARTY, PROVIDED TO THE LESSOR BY THE SUPPLIER, WHICH IS SUPPLYING THE EQUIPMENT IN CONNECTION WITH OR AS PART OF THE CONTRACT BY WHICH LESSOR ACQUIRED THE EQUIPMENT AND (C) WITH RESPECT TO SUCH EQUIPMENT, LESSEE MAY COMMUNICATE WITH SUPPLIER(S) AND RECEIVE AN ACCURATE AND COMPLETE STATEMENT OF SUCH PROMISES AND WARRANTIES, INCLUDING ANY DISCLAIMERS AND LIMITATIONS OF THEM OR OF REMEDIES. TO THE EXTENT PERMITTED BY APPLICABLE LAW, LESSEE HEREBY WAIVES ANY AND ALL RIGHTS AND REMEDIES CONFERRED UPON A LESSEE IN ARTICLE 2A AND ANY RIGHTS NOW OR HEREAFTER CONFERRED BY STATUTE OR OTHERWISE WHICH MAY LIMIT OR MODIFY ANY OF LESSOR'S RIGHTS OR REMEDIES UNDER THE DEFAULT AND REMEDIES SECTION OF THE AGREEMENT.

4. STIPULATED LOSS TABLE: The Stipulated Loss Value for any unit of Equipment shall be the Lessor's capitalized cost of such unit (as referenced in the Stipulated Loss Table to be delivered by Lessor to Lessee) multiplied by the appropriate percentage derived from a Stipulated Loss Table. In the event that the Lease is for any reason extended, then the last percentage figure shown in the Stipulated Loss Table shall control throughout any such extended term.

5. Lessee does further certify that as of the date hereof (i) Lessee is not in default under the Lease; (ii) the representations and warranties made by Lessee pursuant to or under the Lease are true and correct on the date hereof and (iii) Lessee has reviewed and approves of the purchase documents for the Equipment, if any.

6. Any modified or additional terms and conditions of this Schedule are set forth in the following attachments to this Schedule:

7. A manually signed copy of the Agreement, this Schedule and each document executed in connection herewith or therewith (each, a **"Signed Document"**) may be delivered by facsimile or as a PDF file by electronic mail (E-mail) (either such delivery method being referred to herein as **"Electronic Delivery"**). If Lessee transmits any Signed Document by Electronic Delivery, the printed Signed Document as received by Lessor shall be binding on Lessee as if it were manually signed in original; however, no such Signed Document delivered by Electronic Delivery shall be binding against Lessor unless and until manually signed by Lessor. For the purposes of executing any Document, the parties agree that (i) a Signed Document transmitted by Electronic Delivery shall be treated as an original document; (ii) the signature of any party on any such Signed Document shall be considered as an original signature; (iii) such Signed Document shall have the same effect as a counterpart thereof containing original signatures; and (iv) at the request of Lessor, Lessee, who executed such Signed Document and transmitted it by Electronic Delivery, shall provide such original signature to Lessor. No party may raise as a defense to the enforcement of any Signed Document that any signature of a party to such Signed Document was transmitted by Electronic Delivery.

Lessor:

General Electric Capital Corporation

By: _____

Name: _____

Title: Duly Authorized Signatory

Lessee:

_____

By: _____

Name: _____

Title: _____

SAMPLE

GE Capital
Healthcare Financial Services

MASTER LEASE AGREEMENT
DATED AS OF _____

THIS MASTER LEASE AGREEMENT (this "**Agreement**") is between General Electric Capital Corporation (together with its successors and assigns, if any, **"Lessor"**) and the undersigned lessee (**"Lessee"**). Lessor has a mailing address 20225 Watertower Blvd., Brookfield, WI 53045, Attn: Operations Dept. The legal entity type, jurisdiction of organization, mailing address and chief place of business of Lessee is as set forth below under the signature block of Lessee. Additional terms that apply to the Equipment shall be contained on a schedule (**"Schedule"**). Capitalized terms used, but not otherwise defined, herein and which are defined in a Schedule shall have the respective meanings assigned to such terms in such Schedule.

1. LEASE, TERM AND RENT PAYMENTS:

(a) Lessor agrees to lease to Lessee, and Lessee agrees to lease from Lessor, all units of equipment and other property described in the Schedule(s), and all accessories, upgrades, additions, substitutions, replacement parts and tools pertaining thereto (**"Equipment"** and individually a **"unit of Equipment"**) described in any Schedule signed by both parties.

(b) This shall be effective as of the date stated above and, unless sooner terminated by Lessor as hereinafter provided, shall continue until all of Lessee's obligations hereunder or under any Schedule(s) are fulfilled. The term of each Schedule is as specified in such Schedule and commences upon the Lease Commencement Date (defined in subparagraph (c) below). In the event of a conflict between provisions of this Agreement and a Schedule, the provisions of the Schedule shall control.

(c) The rent payable for the Equipment and Lessee's acceptance and right to use the Equipment shall occur on the earlier of (i) five days after the date Lessee is notified that the Equipment has been assembled and is operating in accordance with the manufacturer's published performance specifications, (ii) the date the Equipment is first used or (iii) the date when Lessee has accepted the Equipment under a certificate of acceptance (**"Lease Commencement Date"**).

(d) Lessee shall pay rent to Lessor at its address stated above, except as otherwise directed by Lessor. Rent payments shall be in the amount set forth in the applicable Schedule and are due in advance beginning on the Lease Commencement Date and on the same day of each consecutive month thereafter. If any advance rent or advance charge (as stated in the applicable Schedule) is payable, it shall be due on or before Lessee signs such Schedule and shall be applied in the manner set forth under such Schedule. In no event shall any advance rent or advance charge or any other rent payments be refunded to Lessee. If rent is not paid within ten days of its due date, Lessee agrees to pay a late charge of five cents ($.05) per dollar on, and in addition to, the amount of such rent but not exceeding the lawful maximum, if any. All other payments received by Lessor shall first be applied to any accrued late charge(s) and other monies due Lessor hereunder and then to any unpaid rents.

2. TRANSPORTATION AND RISK OF LOSS: The Equipment will be shipped to the site identified in a Schedule by the supplier or manufacturer of the Equipment identified in the Schedule (**"Supplier"**). Lessee or the Supplier will bear responsibility for transportation and risk of loss of the Equipment at all times. At no time will Lessor bear the risk of loss. The use of the term **"risk of loss"** herein shall include, without limitation, the entire risk of any loss, theft, damage to, or destruction of any unit of Equipment from any cause whatsoever.

3. NET LEASE: This Agreement constitutes a net lease, and Lessee's obligation to pay the rents and other amounts due hereunder (and the continuing effectiveness and enforceability of this Agreement) are absolute, unconditional, non-cancelable and independent obligations not subject to abatement, diminution, suspension, deferment or reduction of, or offset against, Lessee's obligations hereunder for any reason including without limitation: (i) any claims of Lessee against the Supplier of the Equipment; (ii) any defect in, damage to, or loss of destruction of any unit of Equipment however arising; or (iii) any interference with Lessee's use of any unit of Equipment by any third party (including any governmental body). It is the express intention of the parties hereto that all rents and other amounts payable by Lessee to Lessor hereunder shall continue to be promptly and unconditionally paid in all events.

4. RENT ADJUSTMENT:

(a) If, solely as a result of Congressional enactment of any law (including, without limitation, any modification of, or amendment or addition to, the Internal Revenue Code of 1986, as amended, **"Code"**), the maximum effective corporate income tax rate (exclusive of any minimum tax rate) for calendar-year taxpayers (**"Effective Rate"**) is higher than 35% for any year during the lease term, then Lessor shall have the right to increase such rent payments by, at Lessor's option, (i) requiring payment of a single additional sum, or (ii) increasing the amount of the rent for the remaining term. The additional sum shall be equal to the product of (i) the Effective Rate (expressed as a decimal) for such year less .35 (or, in the event that any adjustment has been made hereunder for any previous year, the Effective Rate (expressed as a decimal) used in calculating the next previous adjustment) times (ii) the present value of the aggregate rents remaining under a Schedule discounted at 6%, divided by (iii) the difference between the new Effective Rate (expressed as a decimal) and one (1). If Lessor chooses the first option, Lessee shall pay to Lessor the full amount of the additional rent payment on the later of (i) receipt of notice or (ii) the first day of the year for which such adjustment is being made. If Lessor chooses the second option, the rental payments for each month subsequent to when Lessor provided Lessee notice of such rent shall be increased accordingly.

(b) Lessee's obligations under this Section 4 shall survive any expiration or termination of this Agreement.

(c) Until the Lease Commencement Date, Lessor shall have the right to adjust the rent as set forth in the Schedule(s). In addition, Lessee acknowledges that Lessor may adjust the rent, up or down, by no more than 10% within each Schedule to account for Equipment change orders, Equipment returns, invoicing errors, and similar matters. Lessor shall send Lessee a written notice stating the final rent, if it has changed.

5. TAXES: If permitted by law, and unless otherwise provided in any Schedule, Lessee shall report and pay promptly all taxes, fees and assessments due, imposed, assessed or levied against any Equipment (or purchase, ownership, delivery, leasing, possession, use or operation thereof), this Agreement (or any rents or receipts hereunder), any Schedule, Lessor or Lessee by any governmental entity or taxing authority during or related to the term of this Agreement, or to any other period during which the Lessee had use or possession of the Equipment, including, without limitation, all license and registration fees, and all sales, use, personal property, excise, gross receipts, franchise, stamp or other taxes, imposts, duties and charges, together with any penalties, fines or interest thereon (collectively **"Taxes"**). Lessee shall have no liability for Taxes imposed by the United States of America or any state or political subdivision thereof which are on or measured by the net income of Lessor except as provided in Sections 4 and 20. Lessee shall promptly reimburse Lessor (on an after tax basis) for any Taxes charged to, assessed against or paid by Lessor. Lessee shall show Lessor as the owner of the Equipment on all tax reports or returns, and send Lessor a copy of each report or return and evidence of Lessee's payment of Taxes upon request by Lessor. Lessee's obligations under this Section 5 shall survive any expiration or termination of this Agreement.

6. REPORTS:

(a) If any tax, charge or other lien shall attach to any Equipment, Lessee will notify Lessor in writing, within ten days after Lessee becomes aware of the tax, charge or lien. The notice shall include the full particulars of the tax, charge or lien and the location of such Equipment on the date of the notice.

(b) Lessee will deliver to Lessor, Lessee's complete financial statements, certified by a recognized firm of certified public accountants within 90 days of the close of each fiscal year of Lessee. Lessee will deliver to Lessor copies of Lessee's quarterly financial report certified by the chief financial officer of Lessee, within 30 days of the close of each fiscal quarter of Lessee. Lessee will deliver to Lessor all Forms 10-K and 10-Q, if any, filed with the Securities and Exchange Commission within 30 days after the date on which they are filed. Upon the written request of Lessor, Lessee will deliver to Lessor any additional information reasonably requested by Lessor, including but not limited to accounts receivable agings, activity reports and budget comparison reports.

(c) Lessor may inspect any Equipment during normal business hours after giving Lessee reasonable prior notice (except as otherwise provided in Section 10).

(d) If any Equipment is lost or damaged (where the estimated repair costs would exceed the greater of ten percent (10%) of the original Equipment cost or ten thousand dollars ($10,000)), or is otherwise involved in an accident causing personal injury or property damage, Lessee will promptly and fully report the event to Lessor in writing.

(e) Lessee will not change its state of incorporation or organization or its name as it appears in official filings in the state of its incorporation or organization without giving Lessor at least 10 days' prior written notice.

7. USE, OPERATION AND MAINTENANCE:

(a) Except as otherwise agreed to by Lessor, all Equipment shall be shipped directly to Lessee.

(b) Lessee agrees that the Equipment will be used by Lessee solely in the conduct of its business and in a manner complying with all applicable laws, regulations and insurance policies.

(c) Lessee will not move any Equipment from the location specified on the applicable Schedule, without the prior written consent of Lessor.

(d) Lessee will keep the Equipment free and clear of all liens, claims and encumbrances other than those which result from acts of Lessor.

(e) Lessor shall not disturb Lessee's quiet enjoyment of the Equipment during the term of the Agreement unless a default has occurred and is continuing under this Agreement.

(f) Lessee's use of the Equipment shall be subject to the Supplier's terms and conditions of sale, including, but not limited to any requirements regarding site preparation. Lessee further acknowledges that in the event the Equipment contains embedded software, such software is subject to the proprietary rights of the owner thereof and Lessee's use of such software will be subject to the terms of any related software licenses.

(g) Lessee will, at its sole expense, maintain each unit of Equipment in good operating order and repair, normal wear and tear excepted and also maintain the Equipment in accordance with Supplier's recommendations. Lessee shall make all alterations or modifications required to comply with any applicable law, rule or regulation during the term of this Agreement. If Lessor requests, Lessee shall affix plates, tags or other identifying labels showing ownership thereof by Lessor. If and to the extent it becomes necessary to service, repair or replace any parts, components or accessories of or to the Equipment ("**Parts**"), any such repair or replacement shall be made only with original Equipment manufacturer's ("**OEM**") Parts, and if any OEM Part is not available, with a Part manufactured and/or distributed by a manufacturer and/or supplier approved by Lessor. All services and/or repairs performed on or with respect to the Equipment shall be performed by the OEM, or if the OEM has notified Lessee in writing that it is unable or unwilling to perform such services, such services shall be performed by a service provider approved by Lessor.

(h) Lessee will not attach or install anything on any Equipment that will impair the originally intended function or use of such Equipment without the prior written consent of Lessor. All additions, parts, supplies, accessories, and equipment ("**Additions**") furnished or attached to any Equipment that are not readily removable shall become the property of Lessor. All Additions shall be made only in compliance with applicable law.

8. INSURANCE: Lessee agrees at its own expense, to keep the Equipment insured with companies acceptable to Lessor for such amounts and against such hazards as Lessor may require, including, but not limited to, all risk physical damage insurance for the Equipment itself, with losses under the policies payable to Lessor or its assigns, if any, and liability coverage for personal injuries, death and/or property damages on terms satisfactory to Lessor. Lessor and/or its officers, agents, employees and/or successors and/or assigns shall be named as an additional insured under all such insurance policies with loss payable clauses under said policies payable in Lessor's favor, as Lessor's interest may appear. Said Equipment shall be insured for not less than its Stipulated Loss Value (see Schedule) or such other amount as Lessor shall specify. Said liability insurance shall be in an amount of not less than two million dollars ($2,000,000.00) or such other amount as Lessor shall specify. Lessee hereby appoints Lessor as its attorney-in-fact to make proof of loss and claims for insurance and to make adjustments with insurers and to receive payment of and execute or endorse all documents, checks or drafts in connection with payments made with respect to such insurance policies. Lessee may not make adjustments with insurers except with Lessor's prior written consent. The policies will provide that the insurance may not be altered or canceled by the insurer until after thirty days written notice to Lessor. In the event of damage to or loss, secretion, destruction or theft of the Equipment, or any portion of the Equipment, whether in whole or in part, Lessee will pay to Lessor the Stipulated Loss Value of all Equipment, or of the portion of the Equipment affected if the value and use of the remainder of the Equipment are not affected at the time of such occurrence (except to the extent that Lessor indefeasibly receives proceeds of insurance covering such Equipment). Lessor may, at Lessor's option, apply proceeds of insurance, in whole or in part, (i) to repair or comparably replace the Equipment or any portion of it or, (ii) to satisfy any of Lessee's obligations pursuant to this Agreement or a Schedule. Upon the request of Lessor, Lessee shall deliver to Lessor evidence reasonably satisfactory to Lessor that Lessee is in compliance with all insurance requirements set forth in this Section 8, which evidence so requested may include insurance certificates from each relevant insurer.

9. STIPULATED LOSS VALUE: If for any reason (including, without limitation, in connection with the return of such Equipment pursuant to Section 14 hereof) any unit of Equipment becomes worn out, lost, stolen, destroyed, irreparably damaged or unusable (**"Casualty Occurrences"**) Lessee shall promptly and fully notify Lessor in writing. Lessee shall pay Lessor on the Casualty Payment Date (defined below), the sum of (i) the Stipulated Loss Value (see Schedule(s)) of the affected unit determined as of the rent payment date prior to the Casualty Occurrence; and (ii) all rent and other amounts which are then currently outstanding and due under this Agreement for the affected unit. The **"Casualty Payment Date"** shall be the next rent payment date after the Casualty Occurrence. Upon Payment of all sums due hereunder, the term of this Agreement as to such unit of Equipment shall terminate.

10. DEFAULT AND REMEDIES:

(a) Lessor may declare this Agreement in default if: (i) Lessee breaches its obligation to pay rent or any other sum owing to Lessor (under this Agreement or otherwise) when due and fails to cure the breach within ten days; (ii) Lessee breaches any of its insurance obligations under Section 8 above; (iii) Lessee assigns any of its interests in this Agreement or in the Equipment without Lessor's prior written consent; (iv) Lessee breaches any of its other obligations under this Agreement and fails to cure that breach within 30 days after written notice from Lessor; (v) any representation or warranty made by Lessee in connection with this Agreement shall be incorrect, false or misleading in any material respect; (vi) Lessee or any guarantor or other obligor for the Lessee's obligations hereunder (**"Guarantor"**) becomes insolvent or ceases to do business as a going concern (vii) if Lessee or any Guarantor is a natural person, any death or incompetency of Lessee or such Guarantor; (viii) a petition is filed by or against Lessee or any Guarantor under any bankruptcy or insolvency laws (in which event it shall be an immediate event of default) and in the event of an involuntary petition, the petition is not dismissed within 45 days of the filing date; or (ix) any material adverse change occurs in Lessee's financial condition or business operations (or of any Guarantor) or any material change occurs in the ownership of Lessee (or of any Guarantor). Lessee's default under a Schedule or a default by Lessee, any principal of Lessee or any entity managed or controlled by Lessee or any principal of Lessee under any other agreement or contract with Lessor, will at Lessor's sole option, constitute a default of this Agreement and all Schedules entered into pursuant to this Agreement.

(b) Upon the occurrence of an event of default hereunder, Lessor shall have the non-exclusive option to: (i) declare the aggregate rents or the Stipulated Loss Value (see Schedule) payable under any or all of the Schedules immediately due and payable; (ii) declare all other amount(s) due Lessor hereunder immediately due and payable; (iii) terminate this Agreement as to any or all of the Equipment; (iv) collect from Lessee, on all monies due but unpaid for more than ten days, a late charge of five cents per dollar on, and in addition to, the amount of all such monies, but not exceeding the lawful maximum; (v) take possession of the Equipment and remove same from its existing location(s) without notice to or consent of Lessee; and store and/or dispose (by public sale or otherwise) of the Equipment at its then existing location(s) at no charge to Lessor; (vi) sell or lease any or all items of Equipment at public or private sale or lease at such time or times as Lessor may determine and if notice thereof is required by law, any notice in writing of any such sale or lease by Lessor to Lessee not less than ten days prior to the date thereof shall constitute reasonable notice thereof to Lessee; (vii) otherwise dispose of, hold, use, operate, or keep idle such Equipment, all as Lessor, in its sole discretion, may determine; and (viii) assert any other remedies available to Lessor at law or in equity (including, without limitation, under the Uniform Commercial Code).

(c) After deducting all expenses of retaking, repairing, holding, transporting, selling and/or reletting the Equipment, the net proceeds (if any) from such sale or reletting by Lessor shall be applied against Lessee's obligation hereunder. The proceeds of any sale, re-lease, or other disposition (if any) shall be applied in the following priorities: (i) first, to pay all Lessor's costs, charges and expenses in taking, removing, holding, repairing, selling, re-leasing and disposing of the Equipment; (ii) second, to the extent not previously paid by Lessee or by a Guarantor of Lessee's obligations hereunder to pay Lessor all amounts due from Lessee hereunder; and (iii) lastly, any surplus shall be retained by Lessor. Lessor shall have the right to seek a deficiency from Lessee notwithstanding Lessor's repossession or abandonment of the Equipment, or Lessor's sale or reletting the Equipment to a third party.

(d) The foregoing remedies are cumulative and nonexclusive of any other rights and remedies that Lessor may have under any other agreement or at law or in equity and may be exercised individually or concurrently, and any or all thereof may be exercised instead of or in addition to each other or any remedies at law, in equity, or under statute. Lessee waives notice of sale or other disposition (and the time and place thereof), and the manner and place of any advertising. Lessee shall pay Lessor's actual attorneys' fees, agency fees, collection costs and expenses and any other costs and expenses incurred in connection with the enforcement, assertion, defense or preservation of Lessor's rights and remedies under this Agreement, or if prohibited by law, such lesser sum as may be permitted. Waiver of any default shall not be a waiver of any other or subsequent default.

11. INDEMNIFICATION: Lessee hereby agrees to indemnify Lessor, its agents, employees, successors and assigns (on an after tax basis) from and against any and all losses, damages, penalties, injuries, claims, actions and suits, including legal expenses, of whatsoever kind and nature arising out of or relating to the Equipment or this Agreement (**"Claims"**). This indemnity shall include, but is not limited to, Lessor's strict liability in tort and Claims, arising out of (i) the selection, manufacture, purchase, acceptance or rejection of Equipment, the ownership of Equipment during the term of this Agreement, and the delivery, lease, possession, maintenance, uses, condition, return or operation of Equipment (including, without limitation, latent and other defects, whether or not discoverable by Lessor or Lessee and any claim for patent, trademark or copyright infringement or environmental damage) or (ii) the condition of Equipment sold or disposed of after use by Lessee, any sublessee or employees of Lessee. Lessee shall, upon request, defend any actions based on, or arising out of, any of the foregoing. All of Lessor's rights, privileges and indemnities contained in this Section 11 shall survive the expiration or other termination of this Agreement. The rights, privileges and indemnities contained herein are expressly made for the benefit of, and shall be enforceable by Lessor, its successors and assigns.

12. DISCLAIMER: LESSEE ACKNOWLEDGES THAT IT HAS SELECTED THE EQUIPMENT WITHOUT ANY ASSISTANCE FROM LESSOR, ITS AGENTS OR EMPLOYEES. LESSOR DOES NOT MAKE, HAS NOT MADE, NOR SHALL BE DEEMED TO MAKE OR HAVE MADE, ANY WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, WRITTEN OR ORAL, WITH RESPECT TO THE EQUIPMENT LEASED UNDER THIS AGREEMENT OR ANY COMPONENT THEREOF, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY AS TO DESIGN, COMPLIANCE WITH SPECIFICATIONS, QUALITY OF MATERIALS OR WORKMANSHIP, MERCHANTABILITY, FITNESS FOR ANY PURPOSE, USE OR OPERATION, SAFETY, PATENT, TRADEMARK OR COPYRIGHT INFRINGEMENT, OR TITLE. ALL SUCH RISKS, AS BETWEEN LESSOR AND LESSEE, ARE TO BE BORNE BY LESSEE. LESSEE FURTHER AGREES THAT LESSOR AND ITS REPRESENTATIVES HAVE NO LIABILITY TO LESSEE FOR (I) ANY PENAL, PUNITIVE, SPECIAL, INCIDENTAL, OR CONSEQUENTIAL DAMAGES SUCH AS LOST PROFIT OR REVENUE, (II) ANY ASSISTANCE NOT REQUIRED UNDER THE SCHEDULE, OR (III) ANYTHING OCCURRING AFTER THE END OF A SCHEDULE. THIS IS A COMMERCIAL LEASE TRANSACTION. ANY CLAIM RELATED TO THIS CONTRACT WILL BE COVERED SOLELY BY COMMERCIAL LEGAL PRINCIPLES. LESSOR, ITS REPRESENTATIVES AND ASSIGNS WILL NOT HAVE ANY NEGLIGENCE OR OTHER TORT LIABILITY TO LESSEE OR ANY PERSON OR ENTITY, ARISING FROM THIS AGREEMENT AND ANY OTHER DOCUMENT OR ANY USE OF ANY EQUIPMENT.

13. REPRESENTATIONS, WARRANTIES AND COVENANTS OF LESSEE: Lessee makes each of the following representations, warranties, and covenants to Lessor on the date hereof and on the date of execution of each Schedule.

(a) Lessee has full power and capacity to enter into, and perform under, this Agreement, the Schedules and all related documents (together, the **"Documents"**). Lessee is duly qualified to do business wherever necessary to carry on its present business and operations, including the jurisdiction(s) where the Equipment is or is to be located.

(b) The Documents have been duly authorized, executed and delivered by Lessee and constitute valid, legal and binding agreements, enforceable in accordance with their terms, except to the extent that the enforcement of remedies may be limited under applicable bankruptcy and insolvency laws.

(c) No approval, consent or withholding of objections is required from any governmental authority or any person or entity with respect to the entry into or performance by Lessee of the Documents except such as have already been obtained.

(d) The entry into and performance by Lessee of the Documents will not: (i) violate any judgment, order, law or regulation applicable to Lessee or any provision of Lessee's organizational documents; or (ii) result in any breach of, constitute a default under or result in the creation of any lien, charge, security interest or other encumbrance upon any Equipment pursuant to any indenture, mortgage, deed of trust, bank loan or credit agreement or other instrument (other than this Agreement) to which Lessee is a party.

(e) There are no suits or proceedings pending or threatened in court or before any commission, board or other administrative agency against or affecting Lessee, which if decided against Lessee will have a material adverse effect on its business or operations or its ability to fulfill its obligations under this Agreement.

(f) The Equipment is and will remain tangible personal property.

(g) Each financial statement delivered to Lessor has been prepared in accordance with generally accepted accounting principles consistently applied. Since the date of the most recent financial statement, there has been no material adverse change in the financial condition of Lessee.

(h) Lessee's exact legal name is as set forth in the last page of this Agreement and Lessee is and will be at all times validly existing and in good standing under the laws of the State of its formation (specified in the first sentence of this Agreement).

(i) The Equipment will at all times be used for commercial or business purposes.

14. END-OF-TERM OPTIONS: At least 180 days prior to the expiration of the original term of a Schedule or any subsequent term, Lessee must elect, by written notice to Lessor sent via certified mail to 20225 Watertower Blvd., Suite 300, Brookfield, WI 53045, Attn: VP Asset Management, one of the following end-of-term options: (i) Lessee's renewal of that Schedule for a one or two year term at a Monthly Rental determined at the time of renewal (based on the Equipment's then fair market value), (ii) Lessee's purchase of all (but not less than all) of the Equipment as set forth in Section 15 below; or (iii) Lessee's return of all (but not less than all) of the Equipment to Lessor. Should Lessee fail to comply with the provisions described above covering written notice, upon expiration of the Term, the Term of the Schedule shall be automatically extended for a term of three months at the highest Monthly Rental amount. Thereafter, the Term of the Schedule will be extended for subsequent full month periods, on a month-to-month basis, until Lessee has given at least 90 days written notice terminating the Schedule.

15. PURCHASE OPTION:

(a) Lessee may at lease expiration purchase all (but not less than all) of the Equipment in any Schedule on an AS IS, WHERE IS BASIS for cash equal to its then Fair Market Value (plus all rent and other sums due hereunder on or prior to the purchase date, to the extent not previously paid, plus all taxes and charges due in connection with such sale and all other expenses incurred by Lessor in connection with such sale). Lessee must notify Lessor of its intent to purchase the Equipment in writing at least 180 days in advance. If Lessee is in default or if the corresponding Schedule has already been terminated Lessee may not purchase the Equipment.

(b) "**Fair Market Value**" shall mean the price that a willing buyer would pay for the Equipment in an arm's-length transaction to a willing seller under no compulsion to sell. In determining the Fair Market Value the Equipment shall be assumed to be in the condition in which it is required to be maintained and returned under this Agreement. The Equipment shall be valued on a fully assembled, installed and operational basis. If Lessor and Lessee are unable to agree on the Fair Market Value, Lessor shall appoint, at least 135 days before lease expiration, an independent appraiser (reasonably acceptable to Lessee) to determine Fair Market Value. The independent appraiser's determination shall be final, binding and conclusive. Lessee shall bear all costs associated with any such appraisal. (c) Lessee shall be deemed to have waived this option unless it provides Lessor with written notice of its irrevocable election to exercise the same within 15 days after Fair Market Value is told to Lessee.

16. REMOVAL AND RETURN OF EQUIPMENT:

(a) At the expiration or earlier termination of a Schedule, Lessee will arrange for the removal and return of the Equipment at its expense, including all transportation to a business address designated by Lessor within the Continental United States of America. If Lessor has not designated a business address as contemplated in the immediately preceding sentence on or prior to the expiration or earlier termination of a Schedule, Lessee shall request Lessor to so designate a business address, which request shall be in writing and delivered to Lessor in the manner provided in Section 23(b). The Equipment shall be de-installed, crated and transported by the original Equipment manufacturer (the "**OEM**"), or if the OEM has notified Lessee in writing that it is unable or unwilling to perform such services, such services shall be performed by a provider approved by Lessor. If Lessor so requires, the Equipment shall, at Lessee's sole cost and expense, be inspected by the OEM, the Supplier or such other person approved by Lessor, and Lessee shall obtain from the OEM, Supplier or such other person, as applicable, and make available to Lessor, a comprehensive inspections report, certifying that the Equipment is operable in accordance with the then prevailing performance specifications for it. If Lessee makes modifications to its premises after the Equipment has been installed which impede the removal of the Equipment, the cost of removing the impediments and restoring the premises will be at Lessee's expense. The Equipment will be returned to Lessor or its assigns on the expiration or earlier termination of a Schedule in the same condition and appearance as when received by Lessee (reasonable wear and tear excepted) and in good working order and condition, operable in accordance with the Supplier's then prevailing performance specifications for it. All waste material and fluid must be removed from the Equipment and disposed of by Lessee in accordance with the then current waste disposal laws. If the Equipment is not so returned, Lessor, at Lessee's sole expense, may have the Equipment restored to such a condition.

(b) If Lessor so requires, at Lessor's sole discretion, Lessee shall obtain a policy of transit insurance for the return of the Equipment to Lessor in an amount equal to the replacement value of the Equipment. Such transit insurance must name Lessor as the loss payee. Lessee shall pay for all costs of complying with this section.

(c) Lessee shall provide to Lessor a detailed inventory of all components of the Equipment including model and serial numbers. Lessee shall also provide an up to date copy of all other documentation pertaining to the Equipment.

(d) All service manuals, blueprints, process flow diagrams, operating manuals, inventory, maintenance records and clinical images (for diagnostic imaging equipment only) not older than 30 days with patient data erased, shall be given to Lessor at least 90 days, and not more than 120 days, prior to the Agreement termination.

(e) Lessee shall, at its sole cost and expense, make the Equipment available for Lessor's on-site operational inspection by potential purchasers at least 120 days prior to and continuing up to Agreement termination. Lessor shall provide Lessee with reasonable notice prior to any inspection. Lessee shall provide personnel, power and other requirements necessary to demonstrate electrical, hydraulic and mechanical systems for each item of Equipment.

(f) All of Lessee's duties and obligations, and all of Lessor's rights, under this Section 16 shall survive the expiration or other termination of this Agreement and each Schedule.

17. ASSIGNMENT: LESSEE SHALL NOT SELL, TRANSFER, ASSIGN, ENCUMBER OR SUBLET ANY EQUIPMENT OR THE INTEREST OF LESSEE IN THE EQUIPMENT OR THE RIGHTS OR OBLIGATIONS OF LESSEE UNDER THIS AGREEMENT WITHOUT THE PRIOR WRITTEN CONSENT OF LESSOR. Lessor may, without the consent of Lessee, assign this Agreement, any Schedule or the right to enter into a Schedule, provided that any such assignment shall not relieve Lessor of its obligations hereunder. Lessee agrees that if Lessee receives written notice of an assignment from Lessor, Lessee will pay all rent and all other amounts payable under any assigned Schedule to such assignee or as instructed by Lessor. Lessee also agrees to confirm in writing receipt of the notice of assignment as may be reasonably requested by Lessor or assignee. Lessee hereby waives and agrees not to assert against any such assignee any defense, set-off, recoupment claim or counterclaim which Lessee has or may at any time have against Lessor for any reason whatsoever.

18. NO THIRD PARTY BENEFICIARIES: This Agreement is solely for the benefit of Lessee and Lessor and no person or legal entity is, or shall be considered, an intended third party beneficiary hereof, and no person other than Lessee and Lessor shall have an enforceable right to any benefits under this Agreement.

19. PROTECTED HEALTH INFORMATION. Lessee shall not disclose, and shall prevent the Disclosure of, any Protected Health Information to Lessor, any agent or affiliate of Lessor, or to any third party who at any time takes possession of the Equipment for any reason. LESSEE IS SOLELY RESPONSIBLE FOR REMOVING, OR RENDERING INDECIPHERABLE IN ACCORDANCE WITH PREVAILING INDUSTRY STANDARDS, ALL PROTECTED HEALTH INFORMATION STORED ON OR OTHERWISE ACCESSIBLE FROM THE EQUIPMENT BEFORE THE EQUIPMENT LEAVES POSSESSION OF LESSEE, whether the change in possession is prompted by a default hereunder, termination of this Agreement or any Schedule, or for any other reason. "Disclosure" and "Protected Health Information" shall have the meaning for each term set forth in 45 C.F.R. § 160.103, as those definitions may be amended from time to time.

20. TAX BENEFIT INDEMNIFICATION: Lessor and Lessee agree that should either the United States government or any state or local tax authority disallow, eliminate, reduce, recapture, or disqualify, in whole or in part, the tax benefits claimed under a Schedule by Lessor, Lessee will then indemnify Lessor by payment, at its choice, of either: (i) supplemental rent to Lessor during the remaining period of the term of such Schedule in an amount necessary to permit Lessor to receive (on an after tax basis over the full term of such Schedule) the same rate of return that Lessor would have realized had there not been a loss or disallowance of such benefits, together with any interest or penalties which might be assessed by the governmental authority(ies) with respect to such loss or disallowance, or (ii) a lump sum, payable on demand, to Lessor which will be equal to the amount necessary to permit Lessor to receive (on an after-tax basis over the full term of that Schedule) the same rate of return that Lessor would have realized had there not been a loss or disallowance of such benefits, together with the amount of any interest or penalties which might be assessed by the governmental authority(ies) with respect to such loss or disallowance. All references to Lessor in this Section include Lessor and the consolidated taxpayer group of which Lessor is a member. All of Lessor's rights, privileges and indemnities contained in this Section shall survive the expiration or other termination of this Agreement. The rights, privileges and indemnities contained herein are expressly made for the benefit of, and shall be enforceable by Lessor, its successors and assigns.

21. COMPLIANCE WITH REPORTING RESPONSIBILITIES: Lessee agrees to fully and accurately account for, and report in any applicable cost reports, all items and services received from Lessor under this Agreement and all Schedules, in a way which complies with all applicable laws and regulations, including the Federal Social Security Act and implementing regulations relating to Medicare, Medicaid and the Federal Health Care Programs.

22. FILING: Lessee will sign and return to Lessor when requested such instrument(s) as applicable law requires or permits to give public

notice of Lessor's interest in the Equipment. In addition, Lessee hereby authorizes Lessor to file a precautionary financing statement and amendments thereto describing the Equipment described in any and all Schedules now and hereafter executed pursuant hereto and adding any collateral described therein and containing any other information required by the applicable Uniform Commercial Code. If and to the extent that this Agreement or a Schedule is deemed a security agreement, Lessee hereby gives, grants and assigns to Lessor, its successors and assigns, a security interest in all of Lessee's rights under and interest in the Equipment, the general intangibles related thereto, the accounts created thereby and all proceeds of the foregoing. Such security interest shall secure Lessee's obligations with respect to all Schedules and agreements between Lessee and Lessor. Lessee hereby irrevocably appoints Lessor or its designee as Lessee's agent and attorney-in-fact to sign such instrument(s) on Lessee's behalf and to file them.

23. MISCELLANEOUS:

(a) LESSEE AND LESSOR UNCONDITIONALLY WAIVE THEIR RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS AGREEMENT, ANY OF THE DOCUMENTS, ANY DEALINGS BETWEEN LESSEE AND LESSOR RELATING TO THE SUBJECT MATTER OF THIS TRANSACTION OR ANY RELATED TRANSACTIONS, AND/OR THE RELATIONSHIP THAT IS BEING ESTABLISHED BETWEEN LESSEE AND LESSOR. THE SCOPE OF THIS WAIVER IS INTENDED TO BE ALL ENCOMPASSING OF ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT. THIS WAIVER IS IRREVOCABLE. THIS WAIVER MAY NOT BE MODIFIED EITHER ORALLY OR IN WRITING. THE WAIVER ALSO SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, ADDENDA OR MODIFICATIONS TO THIS AGREEMENT, ANY RELATED DOCUMENTS, OR TO ANY OTHER DOCUMENTS OR AGREEMENTS RELATING TO THIS TRANSACTION OR ANY RELATED TRANSACTION. THIS AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT.

(b) Time is of the essence of this Agreement. Lessor's failure at any time to require strict performance by Lessee of any of the provisions hereof shall not waive or diminish Lessor's right at any other time to demand strict compliance with this Agreement. If more than one Lessee is named in this Agreement, the liability of each shall be joint and several. All notices required to be given hereunder shall be deemed adequately given if sent by registered or certified mail to the addressee at its address stated herein, or at such other place as such addressee may have specified in writing by notice as prescribed in this Agreement. This Agreement and any addendum, schedule and annexes hereto constitute the entire agreement of the parties with respect to the subject matter hereof. No prior proposals, statements, course of dealing, or usage of trade will be a part of this Agreement. NO VARIATION OR MODIFICATION OF THIS AGREEMENT OR ANY WAIVER OF ANY OF ITS PROVISIONS OR CONDITIONS, SHALL BE VALID UNLESS IN WRITING AND SIGNED BY AN AUTHORIZED REPRESENTATIVE OF EACH OF THE PARTIES HERETO.

(c) If Lessee does not comply with any provision of this Agreement, Lessor shall have the right, but shall not be obligated, to effect such compliance, in whole or in part. All reasonable amounts spent and obligations incurred or assumed by Lessor in effecting such compliance shall constitute additional rent due to Lessor. Lessee shall pay the additional rent within five days after the date Lessor sends notice to Lessee requesting payment. Lessor's effecting such compliance shall not be a waiver of Lessee's default.

(d) Any provisions in this Agreement, any Schedule, addendum or amendment hereto that are in conflict with any statute, law or applicable rule shall be deemed omitted, modified or altered to conform thereto, but the remaining provisions shall remain enforceable as written.

(e) This Agreement and the rights and obligations of the parties hereunder shall in all respects be governed by, and construed in accordance with, the internal laws of the State of Wisconsin (without regard to the conflict of laws principles of such State), including all matters of construction, validity and performance, regardless of the location of the Equipment.

(f) Any cancellation or termination by Lessor, pursuant to the provisions of this Agreement, any Schedule, addendum or amendment hereto, of the lease of any Equipment hereunder, shall not release Lessee from any then outstanding obligations to Lessor hereunder.

(g) Lessee agrees that neither it nor its affiliates will in the future issue any press release or other public disclosure using the name of General Electric Capital Corporation or any of its affiliates or referring to this Agreement without at least two (2) business days' prior notice to Lessor and without the prior written consent of Lessor unless (and only to the extent that) Lessee or its affiliate is required to do so under law and then, in any event, such Lessee or affiliate will consult with Lessor before issuing such press release or other public disclosure. Lessee consents to the publication by Lessor of a tombstone or similar advertising material relating to the transactions contemplated by this Agreement.

(h) There is no restriction either express or implied on any disclosure or dissemination of the structure or tax aspects of the transactions contemplated by this Agreement. Further, Lessor acknowledges that it has no proprietary rights to any tax matter or tax idea or to any element of the transaction structure.

(i) A manually signed copy of each Document (as defined in Section 13(a) hereof) (a "**Signed Document**") may be delivered by facsimile or as a PDF file by electronic mail (E-mail) (either such delivery method being referred to herein as **"Electronic Delivery"**). If Lessee transmits any Signed Document by Electronic Delivery, the printed Signed Document as received by Lessor shall be binding on Lessee as if it were manually signed in original; however, no such Signed Document delivered by Electronic Delivery shall be binding against Lessor unless and until manually signed by Lessor. For the purposes of executing any Document, the parties agree that (i) a Signed Document transmitted by Electronic Delivery shall be treated as an original document; (ii) the signature of any party on any such Signed Document shall be considered as an original signature; (iii) such Signed Document shall have the same effect as a counterpart thereof containing original signatures; and (iv) at the request of Lessor, Lessee, who executed such Signed Document and transmitted it by Electronic Delivery, shall provide such original signature to Lessor. No party may raise as a defense to the enforcement of any Signed Document that any signature of a party to such Signed Document was transmitted by Electronic Delivery.

(j) The parties agree that this Agreement and each Schedule constitutes a "Finance Lease" under Uniform Commercial Code Section 2A-103 (g). It is the intent of the parties that this Agreement will be a true lease and not a "conditional sale", and that Lessor shall at all times be considered to be the owner of the Equipment for the purposes of all Federal, state, city and local income taxes, and that this Agreement conveys to Lessee no right, title or interest in any of the Equipment except as lessee. Accordingly, Lessee agrees (i) to treat Lessor as the owner of the Equipment, (ii) not to take any actions or positions inconsistent with such treatment on or with respect to any income tax return, and (iii) not to claim any tax benefits available to an owner of the Equipment on or with respect to any income tax return.

(k) LESSEE ACKNOWLEDGES AND CONFIRMS THAT IT HAS NOT RECEIVED ANY TAX, FINANCIAL OR ACCOUNTING ADVICE FROM LESSOR OR SUPPLIER.

(l) Lessor may receive compensation and/or discounts ("**Discounts**") from the Supplier or manufacturer of the Equipment in order to enable Lessor to reduce the cost of Lessee's lease below what Lessor otherwise would charge. If Lessor received any Discounts, such Discounts are reflected in the Monthly Rental payments. Any such Discounts provided are intended to comply with the federal Anti-Kickback Statute, 42 U.S.C. § 1320a-7b(b). To the extent required by 42 C.F.R. § 1001.952(h) (the Anti-Kickback Statute discount safe harbor regulations) or other applicable laws and regulations, Lessee must fully and accurately reflect in cost reports or other submissions to federal healthcare programs all Discounts provided hereunder and, upon request by the Secretary of the U.S. Department of Health and Human Services or a state agency, must make available information provided to Lessee concerning the Discounts.

IN WITNESS WHEREOF, Lessee and Lessor have caused this Agreement to be executed by their duly authorized representatives as of the date first above written.

Lessor:

General Electric Capital Corporation

By: _____

Name: _____

Title: Duly Authorized Signatory

Lessee:

_____

By: _____

Name: _____

Title: _____

Legal Entity Type: _____
Jurisdiction of Organization: _____
Mailing Address and Chief Place of Business:
_____
_____

SAMPLE

GE Healthcare

Date: 12-31-2014
Quote #: PR10-C35008
Version #: 5

Premier Medical Group
2831 Wilma Rudolph Blvd
Clarksville TN 37040

Attn: Phil Fuqua
2831 Wilma Rudolph Blvd Clarksville
TN 37040

Customer Number :
Quotation Expiration Date: 12-31-2014

This Agreement (as defined below) is by and between the Customer and the GE Healthcare business ("GE Healthcare"), each as identified herein. "Agreement" is defined as this Quotation and the terms and conditions set forth in either (i) the Governing Agreement identified below or (ii) if no Governing Agreement is identified, the following documents:

1) This Quotation that identifies the Product offerings purchased or licensed by Customer;

2) The following documents, as applicable, if attached to this Quotation: (i) GE Healthcare Warranty(ies); (ii) GE Healthcare Additional Terms and Conditions; (iii) GE Healthcare Product Terms and Conditions; and (iv) GE Healthcare General Terms and Conditions.

In the event of conflict among the foregoing items, the order of precedence is as listed above.

This Quotation is subject to withdrawal by GE Healthcare at any time before acceptance. Customer accepts by signing and returning this Quotation or by otherwise providing evidence of acceptance satisfactory to GE Healthcare. Upon acceptance, this Quotation and the related terms and conditions listed above (or the Governing Agreement, if any) shall constitute the complete and final agreement of the parties relating to the Products identified in this Quotation.

No agreement or understanding, oral or written, in any way purporting to modify this Agreement, whether contained in Customer's purchase order or shipping release forms, or elsewhere, shall be binding unless hereafter agreed to in writing by authorized representatives of both parties.

By signing below, each party certifies that it has not made any handwritten modifications.

Governing Agreement:	None
Terms of Delivery:	FOB Destination
Billing Terms:	80% delivery / 20% Installation
Payment Terms:	Due ON Receipt - 30 Days
Total Quote Net Selling Price:	$954,044.17

INDICATE FORM OF PAYMENT:

If "GE HFS Loan" or "GE HFS Lease" is NOT selected at the time of signature, then you may NOT elect to seek financing with GE Healthcare Financial Services (GE HFS) to fund this arrangement after shipment.

___Cash/Third Party Loan
X GE HFS Lease
___GE HFS Loan
___Third Party Lease (please identify financing company) _____

By signing below, each party certifies that it has not made any handwritten modifications. Manual changes or mark-ups on this Agreement (except signatures in the signature blocks and an indication in the form of payment section below) will be void.

Each party has caused this agreement to be executed by its duly authorized representative as of the date set forth below.

CUSTOMER

Authorized Customer Signature — Date 12/31/2014

Print Name — Print Title Chief Admin

Purchase Order Number (if applicable)

GE HEALTHCARE
Gary Young — 12-31-2014

Signature — Date

Vaso Healthcare - Authorized Manufacturer Rep

Email: GaryYoung@ge.com
Phone: +1 615 202 6373

1/17

GE Healthcare Confidential and Proprietary
General Electric Company, GE Healthcare Division

GE Healthcare

Date:	12-31-2014
Quote #:	PR10-C35008
Version #:	5

Total Quote Selling Price	**$1,064,044.25**
Trade-In and Other Credits	$110,000.08

Total Quote Net Selling Price	**$954,044.17**

To Accept this Quotation

Please sign and return this Quotation together with your Purchase Order To:
Gary Young
Mobile: +1 615 202 6373
Email: GaryYoung@ge.com

Payment Instructions

Please **Remit** Payment for invoices associated with this quotation to:
GE Healthcare
P.O. Box 96483
Chicago, IL 60693

To Accept This Quotation

- Please sign the quote and any included attachments (where requested).
- If requested, please indicate, your form of payment.
- If you include the purchase order, please make sure it references the following information
  - The correct Quote number and version number above
  - The correct Remit To information as indicated in **"Payment Instructions"** above
  - The correct SHIP TO site name and address
  - The correct BILL TO site name and address
  - The correct Total Quote Net Selling Price as indicated above

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General Electric Company, GE Healthcare Division

Item No.	Qty	Catalog No.	Description
1	1	S7525AW	Optima MR450w 1.5T MR System - EX Platform

The Optima MR450w 1.5T MR system from GE Healthcare is designed to deliver a comfortable patient-friendly environment while also delivering uncompromised clinical performance and streamlined workflow.

The EX configuration includes the system electronics, operating software, imaging software, post-processing software:

- eXtreme Gradient Technology
- Acoustic Reduction Technology
- OpTix RF Receive Technology
- T/R Body Coil & T/R Head Coil
- Volume Reconstruction Engine
- Computing Platform and DICOM
- Express Patient Table
- Express 2.0 Workflow and In-Room Operator Console
- ScanTools and EX Tools

eXtreme Gradient Technology: The Optima MR450w delivers high temporal resolution through 3-axis gradient amplifier power supply and efficient gradient coil design as well as high spatial integrity through excellent magnet homogeneity and gradient linearity over a large FOV. In addition, the XRM gradients are non-resonant and actively shielded to minimize eddy currents, and use an innovative digital control architecture design to deliver high fidelity, accuracy and reproducibility

- Peak amplitude per axis: 34 mT/m
- Up to 150 T/m/s instantaneous peak slew rate per axis
- Peak current & voltage: 660 Amps, 1650 Volts
- Digital PI feedback loop control
- Maximum FOV: 50cm
- Duty cycle: 100%

Acoustic Noise Reduction Technology: The Optima MR450w system features five levels of acoustic reduction technology to deliver an enhanced patient environment.

- Gradient & RF coil isolation
- Acoustic dampening material
- Vibro-acoustic isolation

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General Electric Company, GE Healthcare Division

Item No.	Qty	Catalog No.	Description

- Gradient waveform optimization

The OpTix RF receive chain enables high bandwidth, high channel count reception with improved SNR over conventional MR receiver designs. The MR signal is digitized within the scan room and then optically transmitted to the reconstruction engine in the electronics room increasing SNR for all volume acquisitions.

- Simultaneous channel/receivers: 16
- Receiver sampling per channel: 80 MHz
- Receiver dynamic range at 1 Hz BW: >165 dB
- Receiver resolution: up to 32 bits
- Digital quadrature demodulation

T/R Body Coil and T/R Head Coil: The Optima MR450w system includes a transmit-and-receive RF body coil and a split-top transmit-and-receive RF head coil. The RF body coil is integrated into a single module with the gradient coil, which is both water and air cooled for excellent duty cycle performance and patient comfort.

Volume Reconstruction Engine: The Optima MR450w system features a powerful volume reconstruction engine with onboard memory and local raw data storage to support and maintain simultaneous data acquisition and reconstruction under the most demanding applications. VRE uses 64-bit computing, delivering high acquisition memory and fast performance. Parallel processing and high speed interconnects provide scalable memory and throughput. The acquisition to disk feature automatically expands the memory per the demands of the application.

The VRE 5.0 volume reconstruction engine delivers the performance needed for challenging, data-intensive applications that use RF high channel counts and advanced parallel imaging. VRE 5.0 enables enhanced speed compared to previous generations due to solid state hardware and core performance gains.

- 14,000 2D FTTs/sec with 2562 and full FOV
- Dell R620XL (Intel) with Scientific Linux (RT) OS
- 48GB RAM with 8 @ 2.5Ghz Cores

Computing Platform: The Intel Xeon Nehalem Dual Core Processor computing platform utilizes a parallel, multi-processor design to enable simultaneous scanning, reconstruction, filming, post-processing, archiving, and networking. The keyboard assembly integrates an intercom speaker, microphone, volume controls, and emergency stop switch. Start scan, pause scan, stop scan and table advanced to

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Item No.	Qty	Catalog No.	Description
			center hot keys are also included. • 8GB DDR3 Memory • 146GB SAS disk subsystem • 24" flat panel LCD with 1920x1200 resolution • Single tower configuration • DVD interchange DICOM: The Optima MR450w system generates MR Image, Secondary Capture, Structured Report, and Gray Scale Softcopy Presentation State DICOM objects. The DICOM networking supports both send and query retrieve as well as send with storage commit to integrate with PACS archive. Express Patient Table: The Express patient table is fully detachable – easily docked and undocked by a single operator – and simple to move in and out of the exam room for patient transport and preparation. These features can be vital in instances where multiple patient transfers can negatively impact patient care or when emergency extraction is required. In addition, the Express patient table enables patient preparation for an exam outside of the scan room, thus reducing the necessary steps before starting the acquisition. Surface coil positioning, IV poles, arm boards, support pads and blankets are easily setup in advance of entering the exam room. The Express Patient Table offers head- or feet first imaging for most anatomies. • Maximum patient weight for scanning: 500 lbs • Patient table drive: Automated, power driven vertical & longitudinal • Longitudinal speed: 30 cm/sec (fast) and 0.5 cm/sec (slow) • Total cradle length: 211 cm • Scan range: 205 cm Workflow: Express Workflow 2.0 incorporate features designed to streamline and automate exams. • In-Room Operator Console and controls • Protocol Libraries & Management Tools • Workflow Manager & Auto Functions • Inline Processing, Networking & Viewing • Start Scan, Stop Scan, Pause/Resume Scan

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Item No.	Qty	Catalog No.	Description
			The In-Room Operator Console and dual-sided controls enable interaction with the host computer from the magnet room. The user has direct control or selection of: • Display of patient name, ID, study description • Display and entry of patient weight • Display and entry of patient orientation and position • Cardiac gating waveform display • EKG lead confirmation with gating control • Respiratory waveform display • IntelliTouch Landmarking • AutoStart • Display of coil connection and status • Display of table location and scan time • Screen saver Express Exam enables complete control of protocols for prescription, archiving, searching, and sharing. Protocols are organized into two libraries – GE authored and Site authored – Protocol Notes allow customized notes to be saved with each protocol. : ProtoCopy enables a complete exam protocol, from either a library or previous exam, to be shared with a mouse click, and the Modality Worklist provides an automated method of linking exam and protocol information for a patient directly from a DICOM Worklist server. The Workflow Manager controls the execution of scan prescription, acquisition, processing, viewing and networking and may automate these steps, when requested by the user. AutoStart automatically starts the first acquisition as soon as the technologist exits the magnet room, and AutoVoice ensures that consistent and repeatable instructions are delivered to the patient. Processing steps are automatically completed with Inline Processing once the data have been reconstructed and the images saved into the database. For certain tasks, the user must accept the results or complete additional steps prior to saving the images. These automatic Inline Processing steps can be saved into the Protocol Library. Inline Viewing allows the user to conveniently view, compare, and analyze images from the Scan Desktop by selecting the desired series from the Workflow Manager. ScanTools: ScanTools 25.0 and the EX clinical package deliver an expansive portfolio

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Item No.	Qty	Catalog No.	Description
			of advanced applications, imaging options, and visualization tools packaged with the system operating software to provide extensive clinical capability and enhanced productivity.
			Advanced Neuro Applications: • eDWI diffusion with Multi-B and Smart-NEX • Diffusion Tensor diffusion with FiberTrak • SWAN 2.0 susceptibility imaging • IDEAL FSE & GRE-based fat-water imaging • PROPELLER 3.0 motion robust radial FSE • PROPELLER 3.0 FSE-based diffusion imaging • 3D Cube 2.0 FSE-based 3D imaging • Dual Inversion 3D Cube imaging • Spin Echo & Fast Spin Echo Suites • T1-FLAIR & T2-FLAIR Suite • Gradient Echo & Fast GRE Suites • Spoiled Gradient Echo & Fast SPGR Suites • Echo Planar, EPI FLAIR & fMRI EPI Suites • EchoPlus with RTFA diffusion imaging • 3D FIESTA & 3D FIESTA-C steady-state imaging • 3D BRAVO IR-prepped fast SPGR imaging • 3D COSMIC modified steady-state imaging • 2D/3D MERGE multi-echo recombined GRE imaging • PROBE PRESS and STEAM single voxel spectroscopy • 2D and 3D CSI • BrainSTAT GVF & AIF parametric maps • Ready Brain automated brain exam prescription
			Advanced Spine & MSK Applications: • eDWI diffusion with Multi-B and Smart-NEX • Diffusion Tensor diffusion with FiberTrak • IDEAL FSE & GRE-based fat-water imaging • PROPELLER 3.0 motion-robust radial FSE • 3D Cube 2.0 FSE-based 3D imaging

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Item No.	Qty	Catalog No.	Description
			• Spin Echo & Fast Spin Echo Suites • Gradient Echo & Fast GRE Suites • 3D COSMIC modified steady-state imaging • 2D/3D MERGE multi-echo recombined GRE imaging • High Bandwidth FSE artifact reduction • Spectral Spatial Fat Suppression Advanced Body Applications: • eDWI diffusion with Multi-B and Smart-NEX • 3D LAVA Flex fat-water T1 DCE with Turbo ARC • IDEAL FSE & GRE-based fat-water imaging • IDEAL IQ fat assessment • StarMap T2* imaging • Body Navigators pencil-beam diaphragm tracker • PROPELLER 3.0 motion robust radial FSE • Spin Echo & Fast Spin Echo Suites • Gradient Echo & Fast GRE Suites • 3D Cube 2.0 FSE-based 3D imaging • 3D LAVA T1 DCE imaging with Turbo ARC • 2D/3D Dual Echo Fat-Water Imaging • 3D FR FSE MRCP & HYDRO imaging • Enhanced SSFSE single-shot FSE imaging • 2D FS FIESTA steady-state imaging • Multi-phase DynaPlan • SmartPrep automated bolus detection • Fluoro Trigger real-time bolus monitoring • Respiratory Compensation, Gating & Triggering • iDrivePro & iDrivePro Plus real-time imaging • SPECIAL IR Fat Saturation Advanced Vascular Applications: • Inhance 2.0 NCE-MRA suite • TRICKS dynamic 3D CE-MRA • SWAN 2.0 susceptibility imaging

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Item No.	Qty	Catalog No.	Description
			• Flow Analysis post-processing • Body Navigators pencil-beam diaphragm tracker • 2D/3D Time-Of-Flight & 2D Gated Time-of-Flight • 2D/3D Phase Contrast & Phase Contrast Cine • SmartPrep automated bolus detection • Fluoro Trigger real-time bolus monitoring • 3D QuickStep automated multi-station imaging • Magnetization Transfer • Flow Compensation • Peripheral & EKG Gating & Triggering • Respiratory Compensation, Gating & Triggering Advanced Cardiac Applications: • 2D Phase Sensitive MDE myocardial imaging • MDE Plus • Cine IR gated GRE imaging with progressive TI • FGRE TC myocardial time course timing • Black Blood SSFSE multi-slice imaging • Flow Analysis post-processing • Double-Triple IR-FSE with spectral fat suppression • FastCine FGRE-based, gated multi-phase imaging • 2D FIESTA Cine steady-state, gated multi-phase imaging • 3D FS FIESTA steady-state coronary imaging • iDrivePro Plus real-time inter-active imaging • Blood Suppression • Cardiac Navigator diaphragm tracker • Cardiac Compensation, Gating & Triggering • Respiratory Compensation, Gating & Triggering • Cine Paging (128 images/4 windows @ 30fps) • Flow Analysis post-processing Advanced Imaging Tools: • ARC & Turbo ARC data-based parallel acceleration • ASSET 3.0 image-based parallel acceleration

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Item No.	Qty	Catalog No.	Description
			• Real Time Field Adjustment for DWI • Chemical Shift Direction Selection • 2D/3D GradWarp compensation • Acoustic Reduction Technology • IR Prep, DE Prep & T2 Prep • Full Echo Train & Tailored RF • Spectral Spatial Fat Suppression • SPECIAL IR Fat Suppression • ASPIR Fat Suppression • Matrix ZIP 512 & ZIP 1024 • 3D Slice 2X ZIP & 4X ZIP • Square Pixel & Rectangular FOV • No Phase Wrap & No Frequency Wrap • Extended Dynamic Range Advanced Processing & Display: • Inline Viewing & Inline Processing • Image Fusion & Image Pasting • SCIC & PURE surface coil intensity correction • Multi-planar Volume Reformat • Interactive Vascular Reformat • ClariView Image Filtering • Compare Mode & Reference Image • Cine Paging (128 images/4 windows @ 30fps) • Flow Analysis post-processing Advanced FuncTool Analysis: • ADC maps & eADC mapping • Correlation Coefficient analysis • NEI Negative Enhancement Integral analysis • MTE Mean Time To Enhance analysis • Positive Enhancement Integral analysis • Signal Enhancement Ratio analysis • Maximum Slope Increase analysis

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Item No.	Qty	Catalog No.	Description
			• Maximum Difference Function analysis • Difference Function analysis
2	1	S4500WE	Optima MR450w 1.5T Magnet, Gradient, RF Body Coil and Dock Collector for 16-Channel System To improve the patient experience and provide high image quality, no other component of an MRI system has greater impact than the magnet. The Optima MR450w system features a short, wide bore magnet that delivers a large field of view. The magnet geometry has been optimized to reduce patient anxiety by providing more space in the bore and more exams with the patient's head outside of the magnet. The 50cm field of view provides uniform image quality and can reduce exam times since fewer acquisitions may be necessary to cover large areas of anatomy. Complemented by GE's active shielding technology, the Optima MR450w has very flexible installation specifications to provide easy siting. And with zero-boil-off magnet technology, helium refills are effectively eliminated, thus reducing operating costs and maximizing uptime. Magnet: • Manufactured by GE Healthcare. • Operating field strength 1.5T (63.86 MHz). • Active magnet shielding. • Zero boil-off Cryogens. • Magnet length 145cm. • Patient Aperture 76 cm. • Patient Bore Diameter 70cm. • Patient Bore Length 105cm. • Maximum Field of View 50 cm. • Magnet Homogeneity at 47 cm x 42 cm (R x Z) volume <= 1.25. • Fringe field (axial x radial). • 5 Gauss = 4.0 m x 2.5 m. • 1 Gauss = 6.2 m x 3.7 m. eXtreme Gradient Platform: The powerful gradient performance of the Optima MR450w system enables high resolution and fast acquisitions. The gradient platform includes the eXtreme Gradient Driver (XGD) and the optimized large field of view gradient coil. The eXtreme Gradient Drive (XGD) is housed within a single cabinet to simplify installation. Each axis is driven by a dedicated power supply and amplifier to ensure consistent performance for all image orientations. By incorporating a water-cooled architecture, this system supports continuous peak operation with a

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Item No.	Qty	Catalog No.	Description
			100% duty cycle and excellent stability for both long-term serial studies and advanced applications. • Peak Gradient Amplitude of 34 mT/m per axis. • Peak Gradient Slew Rate of 150 T/m/s per axis. Quiet Technology: GE has implemented Quiet Technology on critical components of the Optima MR system to reduce acoustic noise and improve the patient environment. This technology enables full use of the eXtreme Gradient Platform for excellent image quality, while maintaining a safe environment for the patient. The technology encompasses the gradient coil, RF body coil, and magnet mounting. The Optima MR450w Dock and Switch Collector is critical for the detachable table. The MR450w Liberty Dock provides the interface between the magnet and Express Patient table.
3	1	S7505EJ	MR450w Preinstallation Collector and Cable Concealment Kit The Preinstallation Collector delivers to the site in advance of the magnet and main electronic components. This facilitates the later delivery and installation of supporting electronics. The following are the main components in the Preinstallation collector: • Heat exchange cabinet for distribution of chilled water. • Primary Penetration wall panel for support of the penetration cabinet. • Secondary Penetration wall panel for support of gradient filters, helium cables, and chilled air and water. • Helium cryocooler hose kit. The Optima MR450w Cable Concealment Kit accommodates a wide-range of scan room ceiling heights and is designed to provide a clean-look installation by concealing the overhead cabling from view.
4	1	S4500YH	Optima MR450w Cable Configuration - A To accommodate various electronic and scan room configurations and sizes, the MR450w has preset lengths of cables and connector kits to speed system installation. This cable collection is compatible with fixed and relocatable building configurations.
5	1	M7000VM	Vibroacoustic Dampening Kit Material in the Vibroacoustic Dampening Kit can significantly attenuate the transmission of gradient-generated acoustic noise through the building structure to nearby areas, including adjacent rooms and floors above or below the MR suite. If this kit is applied during the installation of a new magnet, no additional service charges are necessary. However, installation of the Vibroacoustic Dampening kit under an

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Item No.	Qty	Catalog No.	Description
			existing magnet requires special steps. The steps to prepare the site and steps to install, such as modifications to the RF screen room, and other magnet rigging, modifications to the RF screen room, and other finishing work, are not covered in the pricing.
6	1	M7000WL	Main Disconnect Panel The Main Disconnect Panel safeguards the MR system's critical electrical components, by providing complete power distribution and emergency-off control.
7	1	M7000DA	iROC - In Room Operator Console Control: English English version of the Scan Control Interface for the host computer and MR450/MR750 MR magnet. This hardware interface includes the ergonomically designed keyboard, two-way communication and voice command module between the host workspace and scanner, activation buttons for patient table control, acquisition interface to initiate the scanner, and emergency stop switch. English version of the dual control panels for the In Room Operator Console. The control panels include backlighting for easy visualization in darkened rooms, automated button highlights that signal which button to press for simplified workflow and ease of use, and a trackball with mouse buttons for interaction with the Operator Console and patient setup screens.
8	1	M1000MW	Operator's Console Table Wide table designed specifically for the color LCD monitor and keyboard.
9	1	M3335CB	1.5T Calibration Phantom Kit This 1.5T calibration kit contains a large volume shim phantom, a daily quality assurance phantom, an echo-planar calibration phantom, and the associated loader shells.
10	1	M3335CA	Calibration Kit Phantom Holder Cart
11	1	R32052AC	Standard service package delivered for the warranty period.
12	1	S7524DF	Essential Coil Package II - 1.5T The Essential Coil Package II includes the following: • 16-channel Head/Neck/Spine Array • 8-channel Body Array • 3-channel Shoulder Array • Quad Extremity Coil

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Item No.	Qty	Catalog No.	Description
			The Head/Neck/Spine (HNS) Array delivers convenience without compromise. This 29-element coil serves as a high-resolution brain coil, high-density neuro-vascular array, and a multi-element spine coil in one convenient package. Designed to accommodate multi-dimensional parallel imaging in any scan plane, this coil yields unprecedented imaging speed and superior image quality, thanks in large part to a unique element arrangement that focuses the signal over the anatomy of interest. The 8-channel Body Array is designed for high definition MR imaging of the chest, abdomen and pelvis. This 12-element, quadrature phased-array coil provides extensive coverage, enabling multi-station anatomical and vascular imaging of the chest-abdomen or abdomen-pelvis without repositioning the coil. The array is optimized for use with ASSET acceleration for enhanced breath-hold imaging procedures. The 3-channel Shoulder Array offers the increased signal-to-noise characteristic of phased-array technology, along with a unique sleeve design that delivers exceptional joint-imaging capabilities. The coil provides clear definition of the shoulder joint, specifically the head of the humerus, clavicle, acromion, supraspinatus muscle and ligaments. Patient comfort pads and restraining straps are included. The transmit/receive design of the Quad Extremity Coil helps ensure optimal results in studies of the knee, ankle and foot. Its unique anterior extension increases the imaging volume for thorough evaluations in dorsi-flexed foot and ankle studies, covering FOVs up to 30 cm for the foot and ankle, and up to 20 cm for the knee.
13	1	M7000SE	1.5T Flex Suite, Premium - P Connector The 1.5T Flex Suite by Neocoil is a versatile set of high density 16-channel coils designed to give high quality images in a wide range of applications. The high degree of flexibility is particularly advantageous when imaging patients that do not fit the constraints of rigid coils, improving the patient and technologist experience, and enabling most exams to be completed with the same level of image quality expected from dedicated coils. The coils are available in three sizes: Small, Medium, and Large. The full Flex Suite is intended to cover a broad range of muscular skeletal applications, including upper and lower extremities of hand, wrist, elbow, shoulder, knee, ankle, and foot. This extended set includes all three sizes of coils, Small, Medium, and Large, and a knee stabilization fixture that is designed for compatibility with the standard curved table. They cover a broad range of muscular skeletal applications, including hand, wrist, elbow, shoulder, hip (unilateral and bilateral), knee, ankle, and foot. In addition, the coils' versatility has been shown in a range of general purpose applications that include head, neck, and spine exams.

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Item No.	Qty	Catalog No.	Description
			This suite of flex coils is compatible with the Discovery MR450 and Optima MR450w systems with the standard Express Patient Table. This catalog is not compatible with the MR450w + GEM Express Patient Table. Includes: • 1.5T Flex Coils - Small, Medium, and Large Arrays. • 1.5T Flex Interface Module 16-ch Fixed, P-Connector. • Flex Knee Stabilization fixture for curved table. • Flex GP Strap and Interface Module Cover. • Flex Cable Take-up Pad and General Purpose Stabilization Pad.
14	1	E8912CA	GE Optima MR450w Heat Exchangers - 49kW (20 Tons) Cooling for your GE Healthcare MR system has never been so easy. GE Healthcare has partnered with the Glen Dimplex Group, a world leader in cooling systems, to offer heat exchangers designed to meet the needs of your Discovery MR System. Now you can look to GE Healthcare for your entire MR purchase and support. This heat exchanger is highly reliable and the only unit verified to perform with the new platform of GE Healthcare MR systems. As part of your integrated GE Healthcare solution, you'll work with a single contact throughout the whole installation. A Project Manager of Installation will help with building layout, room designs, delivery and installation - every step until your system is ready to scan. Our team will work seamlessly with architects, contractors and your internal team to help ensure timely, cost-effective completion. Once your cooling system is running, you'll get fast, highly-skilled service support managed through GE Healthcare - with the same quality and response time you expect from your MR system. FEATURES AND BENEFITS • Designed to provide stable fully dedicated cooling for your MR system's needs • Water/glycol outdoor-air-cooled heat exchangers to support your highest exam volumes and your full range of diagnostic procedures • Redundant fluid pumps with automatic switchover let you keep operating with no loss of cooling even if one pump goes down • Quad compressor, dual tandem refrigeration circuit design saves on energy while your system smoothly transitions through the 10% to 100% heat load capacity cycles of patient scanning and idling • Quiet operation between patient exams and overnight - ideal for facilities in residential areas

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Item No.	Qty	Catalog No.	Description
			• Comes with installation support, installation visits, preventative maintenance visit and 1 full year of parts and labor warranty • Installation support includes: support through GE's Project Manager of Install, GE's Design Center, technical support from the Glen Dimplex company, two (2) installation visits • Comprehensive and quality service rapidly delivered through our CARES service solution • 65 gallons of 100% glycol concentrate for complete system filling and diluting • Wall mounted remote display panel provides the ability to monitor the system's operation and indicates possible system errors • Filter kit with flow meter helps to ensure purity of water prior to entry to the MR system • Highly recommended that Vibration Isolation Spring Kit (E8911CJ) be added for systems that will be roof top mounted SPECIFICATIONS • Net Cooling Capacity: 49 kW / 20 Ton • Maximum Coolant Flow: 35 gpm (132 l/m) • Coolant Outlet Temperature: 48 F (8.9 C) • Coolant Temp Stability: E 1.8 F (E1.0 C) • Max Coolant Pressure : 70 Psi (4.8 Bar) • Refrigerant: R407C • Ambient Temp Range: -20 to 120 F (-30 to 50 C) • Condenser Air Flow (Approx): 18,000 Cfm • Tank Capacity: 100 gal (378 l) • Flow Meter Range: 4-40 gpm • Filters: 50 micron cartridge filters • Supply Voltage: 460v / 3 phase / 60 Hz • Coolant Connections: 2" NPTF • Overall Size (L x W x H) 44" x 136" x 84.5" COMPATIBILITY: • GE Optima MR450w 1.5T MR System NOTES: • Item is NON-RETURNABLE and NON-REFUNDABLE
15	1	E8803BE	Physician's Chair with Padded Arms

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General Electric Company, GE Healthcare Division

GE Healthcare

Date: 12-31-2014
Quote #: PR10-C35008
Version #: 5

Item No.	Qty	Catalog No.	Description
			Physician's chair has padded arms for comfort and comes in a charcoal gray color that blends with any environment. Chair adjusts from 16.75 in. to 21 in. (42.5 cm x 53.3cm) and is only for use in the MR Control Room. Weighs 45 lbs.
16	1	W0106MR	TiP Discovery and Optima Family Training 10 Days Onsite Plus 10 Hrs TVA The TiP Training Choices program is designed for CURRENT GE customers WITHOUT HDx experience who purchase a Discovery or Optima system. Training is delivered onsite at the customer's facility and instructs students in start-up operation of the system and introduces participants to the system design, workflow, new options and clinical applications included. Extended TVA support ensures learners maintain performance over the long term. This training program must be scheduled and completed within 36 months after the date of product delivery.
17	1		Rig out existing 1.5T magnet from MRI suite to truck
18	1		Rig new MRI from truck to MRI suite
19	1		5mo Ext Warr on 450w

Quote Summary:

Trade in of GE 1.5T HD 12x

Total Quote Net Selling Price **$954,044.17**

(Quoted prices do not reflect state and local taxes if applicable. Total Net Selling Price Includes Trade In allowance, if applicable.)

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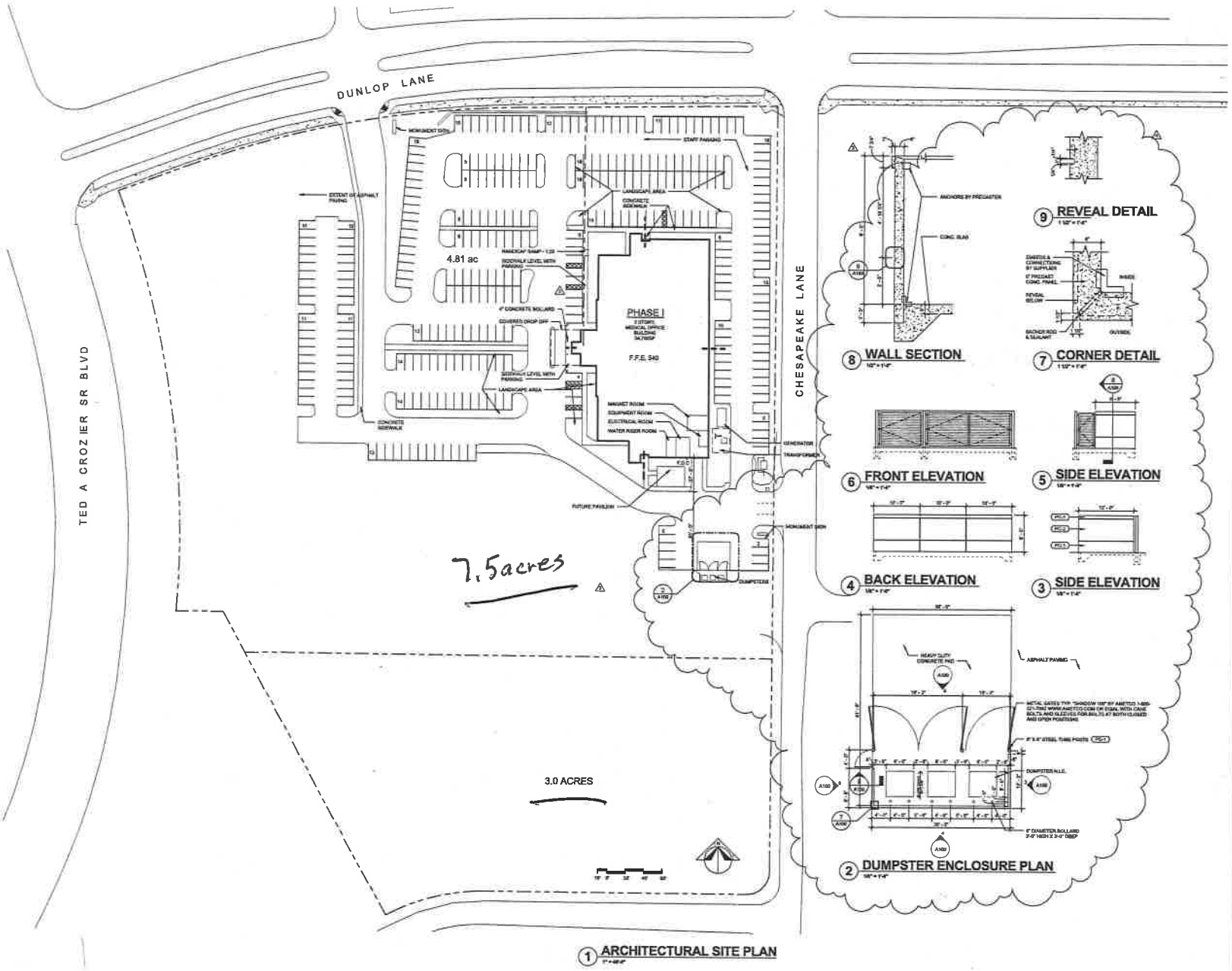


MSTSD

PREMIER MEDICAL OFFICE BUILDING

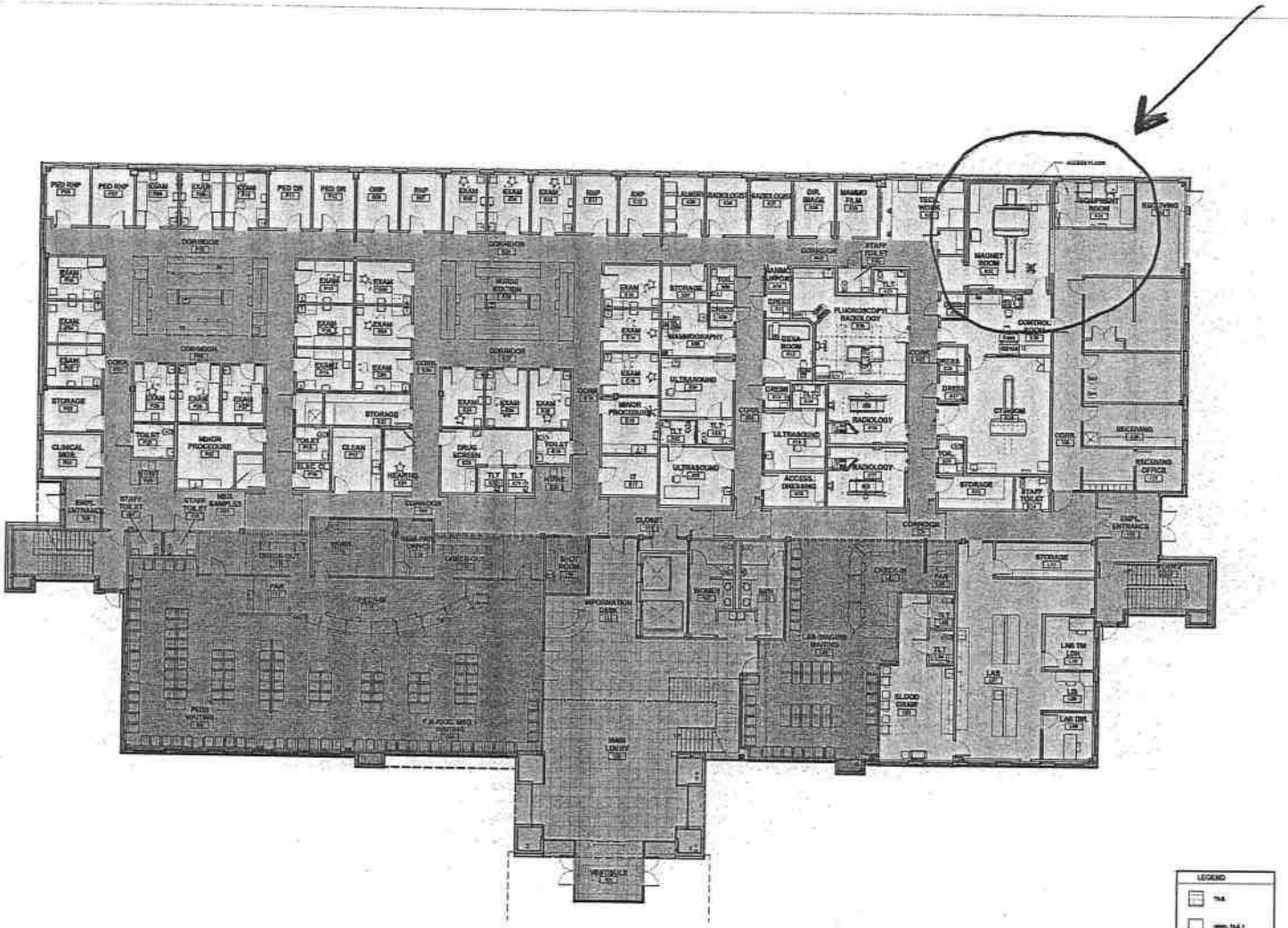
PREMIER MEDICAL GROUP

CLARKSVILLE, TENNESSEE

ARCHITECTURAL SITE PLAN

A100

Section B - Project Description
III. A. 1., 2. and 4.



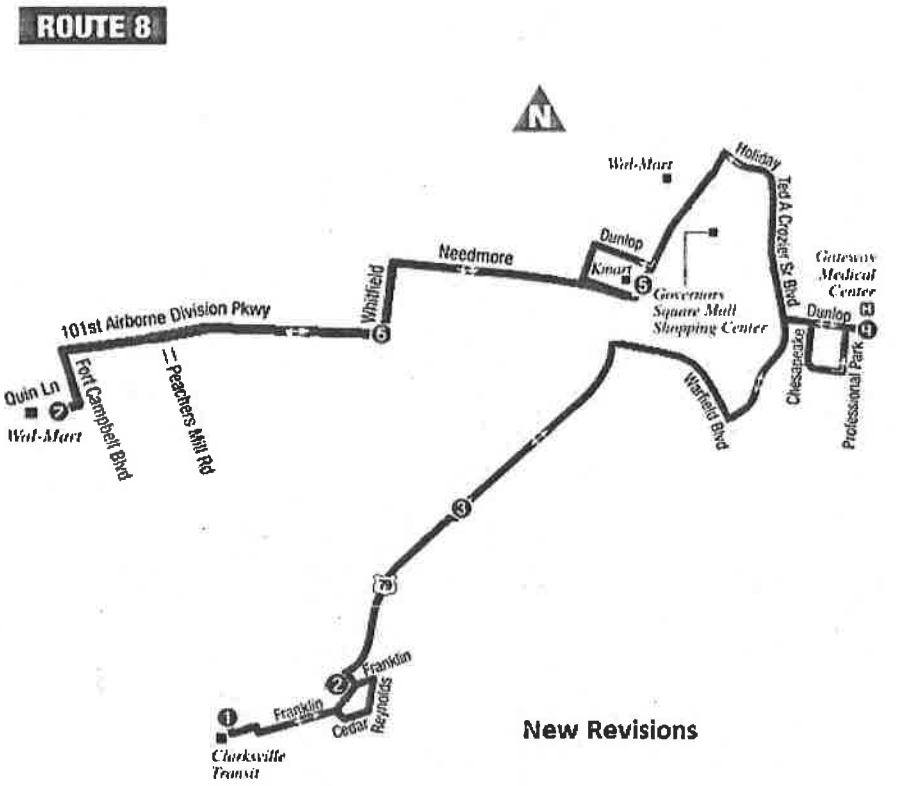
① FIRST LEVEL FINISH PLAN

PREMIER MEDICAL GROUP
CLARKSVILLE, TENNESSEE
10.08.2014

FLOOR PLAN

FREESE JOHNSON

ROUTE 8 - 101 EXPRESS / GATEWAY MEDICAL CTR.



* View Route 8 in a Larger Map

ROUTE 8 GATEWAY MEDICAL MONDAY - SATURDAY

	1	2	3	4	5	6	7	7	6	5	4	3	2	1
	BUS LEAVES TRANSIT CENTER	BUS LEAVES COLLEGE ST & HORNSBERGER	BUS LEAVES DUNBAR CAVE & WILMA RUDOLPH	BUS LEAVES GATEWAY MEDICAL CENTER	BUS LEAVES KMART WILMA RUDOLPH BLVD	BUS LEAVES 101st AIRBORNE DIV & WHITFIELD	BUS ARRIVES WAL-MART NORTH	BUS LEAVES WAL-MART NORTH	BUS LEAVES 101st AIRBORNE DIV & WHITFIELD	BUS LEAVES KMART WILMA RUDOLPH BLVD	BUS LEAVES GATEWAY MEDICAL CENTER	BUS LEAVES DUNBAR CAVE & WILMA RUDOLPH	BUS LEAVES COLLEGE ST & HORNSBERGER	BUS ARRIVES TRANSIT CENTER
A.M.	5:00	5:05	5:08	5:22	5:32	5:40	5:52	5:57	6:05	6:17	6:29	6:40	6:43	6:50
	6:00	6:05	6:08	6:22	6:32	6:40	6:52	6:57	7:05	7:17	7:29	7:40	7:43	7:50
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P.M.	12:00	12:05	12:08	12:22	12:32	12:40	12:52	12:57	1:05	1:17	1:29	1:40	1:43	1:50
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	5:00	5:05	5:08	5:22	5:32	5:40	5:52	5:57	6:05	6:17	6:29	6:40	6:43	6:50
	6:00	6:05	6:08	6:22	6:32	6:40	6:52	6:57	7:05	7:17	7:29	7:40	7:43	7:50
	7:00	7:05	7:08	7:22	7:32	7:40	7:52							

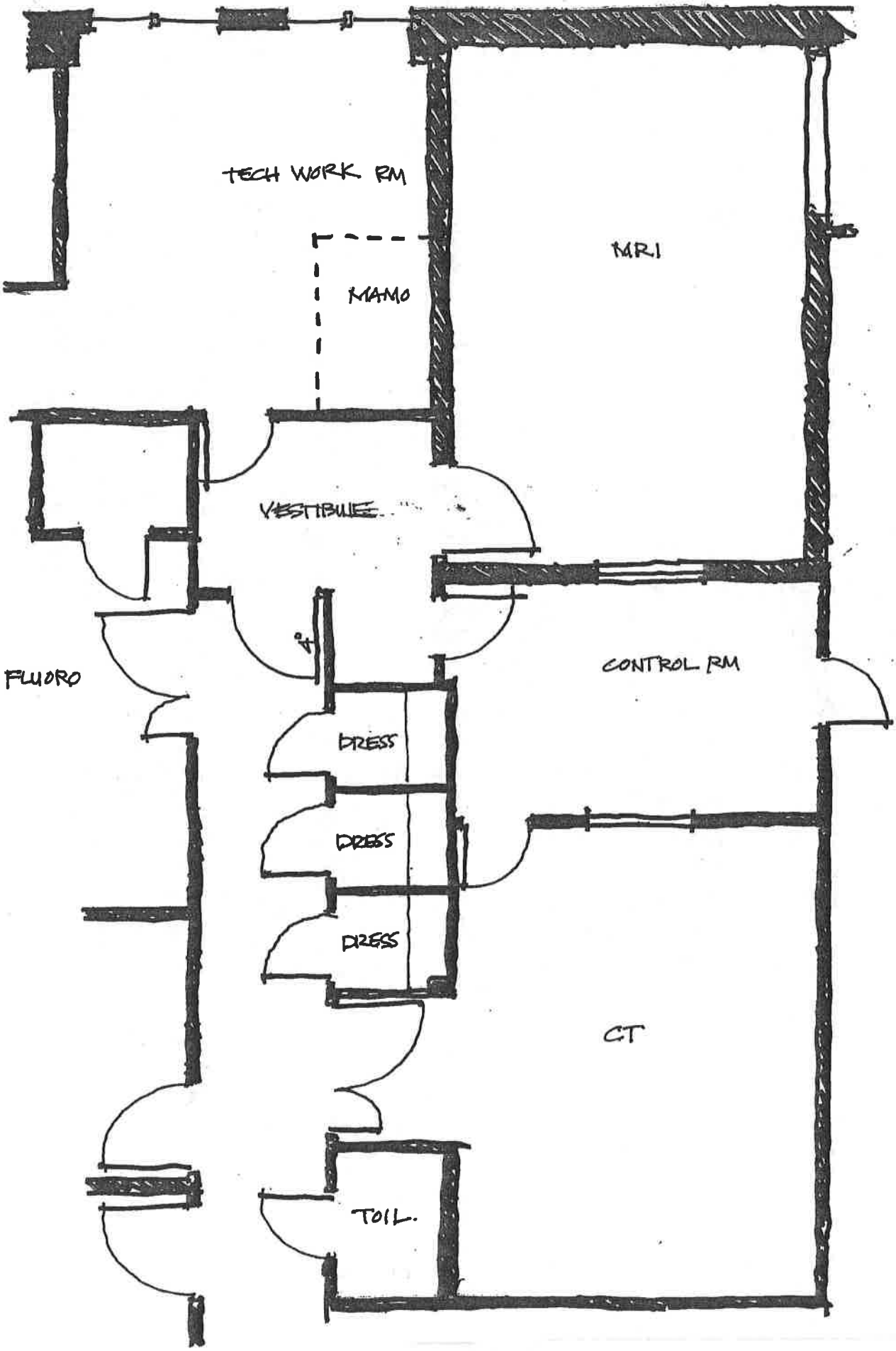
MONDAY - FRIDAY

	1	2	3	4							3	2	1
P.M. EXPRESS	8:00	8:05	8:08	8:22	------	------	------	------	------	------	8:29	8:40	8:43	8:50

THESE AREAS WILL NOT BE SERVICED ON THE EXPRESS RUN

SHADED TRIPS OPERATE ON SATURDAY

Section B - Project Description
III. (B). 1.


TECH WORK RM
MRI
MAMO
VESTIBULE
FLUORO
CONTROL RM
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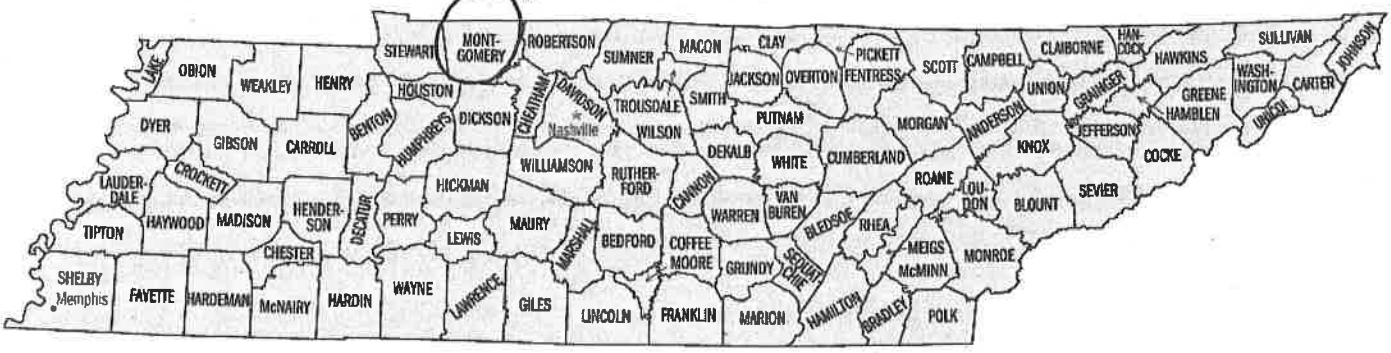
TOIL.

Montgomery County



Premier Medical Group, PC
#CN9909-082A
Year to Date
MRI Data ZIP Codes

Patient Zip Code	# of Charges Billed - 2014	# of Charges Billed - 2013	# of Charges Billed - 2012
09114-0045	1		
09096-0069		1	
9645			1
13209		1	
15944			1
17366			2
18042			1
20002	1		
20009		1	
22102		1	
23602		2	
27842-0098	1		
28801-2204	1		
29150-2324			1
29927			1
30308		1	
30345	1		
30683			1
31329		1	
31804			1
32189			1
32443			1
32533			1
32536-9003			1
32937-3129			1
33898			1
34667			1
34787		1	1
34983			1
35803			1
36301			1
36856		1	1
37010	32	27	18
37010-9139			1
37013	1		
37015	13	9	5
37023	4	1	1
37027	2		
37028		2	3
37032	5	11	8
37032-5360		1	
37035			2
37036	1		2
37040	360	345	349
37040-0008			1
37040-4430		1	1

37040-4462	1		
37040-5780		1	
37040-5484	1		
37040-5972	1		
37040-8027	1		
37041	1	1	
37042	439	394	413
37042-0317	1		
37042-5719			1
37042-7276			3
37042-0856	1		
37042-3371		1	
37042-5500		1	
37042-5621		1	
37042-5790		1	
37042-6167		1	
37042-7230		1	
37042-7945		1	
37042-8491	1		
37042-8596	1		
37042-9206		1	
37043	343	370	331
37043-1046	1		
37043-1545		1	
37043-1972		1	
37043-3874	1	2	
37043-4857	1		
37043-4891			1
37043-5057		1	
37043-5491	1		1
37043-5852	1		
37043-5899	1		
37043-5964		1	
37043-6234	1		
37043-7024		1	
37043-7612		1	
37043-8731			1
37043-8937	1		
37050	5	5	3
37050-6206			1
37051	25	13	14
37051-4905		1	
37051-5232	1		
37052	26	13	21
37052-4792	1		
37055	1		
37058	13	9	14
37061	1	3	3
37072		1	
37073			1
37075	1		
37079	13	11	26
37080		1	

37082	1		
37086			1
37096		1	
37101		1	
37110	1	1	
37115			1
37129	1		
37142	16	16	10
37146	6	2	1
37167		1	
37171	6	12	15
37172	1	3	4
37175	2		1
37175-7024		1	
37178	2	6	2
37179			1
37181		1	
37187			1
37191	29	33	37
37191-9026		1	
37191-9028			1
37202			1
37207		1	1
37211	1		
37214		1	
37218			2
37306		1	
37355-4336			1
37421			1
38016-5912		1	
38018		1	
38221			4
38222		1	
38587			1
38588			1
40223		1	1
42038		1	
42204	1		
42211	3	5	3
42217		1	
42220	6	7	3
42223	8	5	5
42234	8	12	22
42234-0001	1		
42236			1
42240	6	5	12
42262	23	6	11
42262-0957	1	1	
42265	3	1	
42266	8		2
42286	6	2	5
42345			1
47115			1

47713-1636			1
49729			1
61254			1
61604-3354			1
62234		1	
62521			1
63383			2
63701		1	
66027			1
66048-2496			1
66086			1
69101	1		
71602-9139			1
72204		1	
77070		1	
77090			1
77584			1
80817-1033		1	
81321			1
83330-5272		1	
85042-6706	1		
85132			1
87124			1
90247			1
93601		1	
96202			1
96205			3
96706			1
96786			1
98056			1
98221		1	
98516			1
99709			1
TOTAL	1451	1386	1426

PMG, PC
Patient Population Demographics

REPORT NAME : ME Central Imaging Counts by Modality

patient age	#chg
6	2
8	1
10	3
11	2
12	2
13	5
14	7
15	9
16	17
17	12
18	12
19	14
20	7
21	8
22	7
23	18
24	10
25	15
26	11
27	13
28	17
29	24
30	13
31	17
32	23
33	24
34	20
35	28
36	29
37	17
38	16
39	31
40	23
41	18
42	42
43	35
44	37
45	44
46	27
47	15
48	26
49	32
50	34
51	48
52	32
53	29
54	24
55	36
56	31
57	21
58	24

59	30
60	38
61	34
62	20
63	24
64	18
65	12
66	29
67	25
68	25
69	9
70	15
71	14
72	13
73	13
74	8
75	11
76	13
77	7
78	8
79	8
80	7
81	5
82	7
84	3
85	6
86	4
87	1
88	4
90	1
94	1
TOTAL	
	1425

Premier Medical Group, PC
#CN9909-082A
Year to Date
MRI Charges billed out by Patient Gender

Patient Gender	Distinct Patient Count - 2014	Count of Charges Billed - 2014	Count of Charges Billed - 2013	Count of Charges Billed - 2012
F	844	943	881	842
M	457	508	505	584
TOTAL	1301	1451	1386	1426

REPORT NAME : ME Central Imaging Counts by Modality

race	#chg
African American	1
American Indian or Alaska Native	2
Asian	18
Black	1
Black or African American	260
Native Hawaiian or Other Pacific Isl	9
Other Pacific Islander	1
Patient Declined	26
White	1107
TOTAL	
	1425

PMG, PC
Patient Population Demographics

Try the today and tell us what you think!

Montgomery County, Tennessee

People QuickFacts	Montgomery County	Tennessee
Population, 2014 estimate	189,961	6,549,352
Population, 2013 estimate	184,729	6,497,269
Population, 2010 (April 1) estimates base	172,337	6,346,275
Population, percent change - April 1, 2010 to July 1, 2014	10.2%	3.2%
Population, percent change - April 1, 2010 to July 1, 2013	7.2%	2.4%
Population, 2010	172,331	6,346,105
Persons under 5 years, percent, 2013	8.7%	6.2%
Persons under 18 years, percent, 2013	27.2%	23.0%
Persons 65 years and over, percent, 2013	8.5%	14.7%
Female persons, percent, 2013	50.2%	51.2%
White alone, percent, 2013 (a)	73.0%	79.1%
Black or African American alone, percent, 2013 (a)	19.4%	17.0%
American Indian and Alaska Native alone, percent, 2013 (a)	0.7%	0.4%
Asian alone, percent, 2013 (a)	2.3%	1.6%
Native Hawaiian and Other Pacific Islander alone, percent, 2013 (a)	0.4%	0.1%
Two or More Races, percent, 2013	4.1%	1.7%
Hispanic or Latino, percent, 2013 (b)	9.2%	4.9%
White alone, not Hispanic or Latino, percent, 2013	65.8%	74.9%
Living in same house 1 year & over, percent, 2009-2013	76.3%	84.6%
Foreign born persons, percent, 2009-2013	5.3%	4.6%
Language other than English spoken at home, pct age 5+, 2009-2013	9.9%	6.6%
High school graduate or higher, percent of persons age 25+, 2009-2013	90.9%	84.4%
Bachelor's degree or higher, percent of persons age 25+, 2009-2013	23.5%	23.8%
Veterans, 2009-2013	24,920	484,901
Mean travel time to work (minutes), workers age 16+, 2009-2013	23.8	24.3
Housing units, 2013	75,204	2,840,914
Homeownership rate, 2009-2013	61.2%	67.8%
Housing units in multi-unit structures, percent, 2009-2013	20.7%	18.3%
Median value of owner-occupied housing units, 2009-2013	$141,800	$139,200
Households, 2009-2013	64,026	2,475,195
Persons per household, 2009-2013	2.72	2.52
Per capita money income in past 12 months (2013 dollars), 2009-2013	$22,380	$24,409
Median household income, 2009-2013	$49,617	$44,298
Persons below poverty level, percent, 2009-2013	16.4%	17.6%

Business QuickFacts	Montgomery County	Tennessee
Private nonfarm establishments, 2012	2,638	130,592[1]

Private nonfarm employment, 2012	42,525	2,344,047[1]
Private nonfarm employment, percent change, 2011-2012	5.2%	1.9%[1]
Nonemployer establishments, 2012	8,788	471,026
Total number of firms, 2007	9,906	545,348
Black-owned firms, percent, 2007	8.0%	8.4%
American Indian- and Alaska Native-owned firms, percent, 2007	0.5%	0.5%
Asian-owned firms, percent, 2007	3.7%	2.0%
Native Hawaiian and Other Pacific Islander-owned firms, percent, 2007	F	0.1%
Hispanic-owned firms, percent, 2007	S	1.6%
Women-owned firms, percent, 2007	29.5%	25.9%
Manufacturers shipments, 2007 ($1000)	D	140,447,760
Merchant wholesaler sales, 2007 ($1000)	345,533	80,116,528
Retail sales, 2007 ($1000)	1,877,647	77,547,291
Retail sales per capita, 2007	$12,125	$12,563
Accommodation and food services sales, 2007 ($1000)	245,217	10,626,759
Building permits, 2013	1,745	23,816

Geography QuickFacts	**Montgomery County**	**Tennessee**
Land area in square miles, 2010	539.18	41,234.90
Persons per square mile, 2010	319.6	153.9
FIPS Code	125	47
Metropolitan or Micropolitan Statistical Area	Clarksville, TN-KY Metro Area	

1: Includes data not distributed by county.

(a) Includes persons reporting only one race.
(b) Hispanics may be of any race, so also are included in applicable race categories.

D: Suppressed to avoid disclosure of confidential information
F: Fewer than 25 firms
FN: Footnote on this item for this area in place of data
NA: Not available
S: Suppressed; does not meet publication standards
X: Not applicable
Z: Value greater than zero but less than half unit of measure shown

Source U.S. Census Bureau: State and County QuickFacts. Data derived from Population Estimates, American Community Survey, Census of Population and Housing, State and County Housing Unit Estimates, County Business Patterns, Nonemployer Statistics, Economic Census, Survey of Business Owners, Building Permits
Last Revised: Tuesday, 31-Mar-2015 18:00:19 EDT

ABOUT US FIND DATA BUSINESS & INDUSTRY PEOPLE & HOUSEHOLDS

Premier Medical Group, PC
#CN9909-082A
Year to Date
MRI DATA BY Financial Class aka Payer Mix

Financial Class	Total Charges - 2014	# of Charges Billed - 2014	% of Payer Mix - 2014	Total Charges - 2013	# of Charges Billed - 2013	% of Payer Mix - 2013	Total Charges - 2012	# of Charges Billed - 2012	% of Payer Mix - 2012
AETNA	$ 83,585	65	4.48%	$ 118,413	91	6.45%	$ 118,742	101	6.44%
BCBS	$ 674,580	521	36.13%	$ 701,214	533	38.19%	$ 779,987	591	42.33%
CIGNA	$ 79,476	67	4.26%	$ 73,377	60	4.00%	$ 90,939	70	4.93%
COMMERCIAL	$ 100,854	80	5.40%	$ 60,190	48	3.28%	$ 100,661	70	5.46%
MEDICARE	$ 302,946	222	16.22%	$ 289,036	203	15.74%	$ 250,472	188	13.59%
MEDICARE ADVANTAGE	$ 119,601	86	6.40%	$ 129,223	99	7.04%	$ 84,957	63	4.61%
PT RESP	$ 45,884	40	2.46%	$ 19,410	14	1.06%	$ 6,286	5	0.34%
TENNCARE	$ 134,966	110	7.23%	$ 95,922	67	5.22%	$ 57,678	52	3.13%
TRICARE	$ 244,918	196	13.12%	$ 213,558	168	11.63%	$ 227,193	179	12.33%
UNITED HEALTHCARE	$ 70,038	55	3.75%	$ 112,008	80	6.10%	$ 101,793	84	5.52%
Workers Comp	$ 10,468	9	0.56%	$ 23,703	23	1.29%	$ 24,079	23	1.31%
TOTAL	$ 1,867,316	1451	100.00%	$ 1,836,055	1386	100.00%	$1,842,787	1426	100.00%

Premier Medical Group, PC
#CN9909-082A
Per State of TN Utilization Records
http://www.tennessee.gov/hsda/health_equp/mri-equipment-utilization2014.pdf

		2013	2012	2011	2013	2012	2011
Clarksville Imaging Center, LLC	ODC	4,276	4,119	3,803	$ 7,862,424	$ 7,546,475	$ 7,136,714
Gateway Medical Center	HOSP	4,432	5,242	5,426	$ 22,802,129	$ 24,796,987	$ 22,398,995
Mobile MRI Services, LLC	RPO	1,404	1,129		$ 2,166,949	$ 1,611,633	
Premier Medical Group, PC	PO	1,386	1,426	1,494	$ 1,836,055	$ 1,842,456	$ 1,986,269
Tennessee Orthopaedic Alliance	PO	1,932	1,915	2,007	$ 3,121,110	$ 3,065,388	$ 3,229,671

Premier Medical Group, PC
#CN9909-082A
Year to Date
MRI DATA by CPT Code

CPT Code	CPT Code Description	Total Charges - 2014	# of Charges Billed - 2014	Total Charges - 2013	# of Charges Billed - 2013	Total Charges - 2012	# of Charges Billed - 2012
70336	70336: MRI Tempomandibular Joint WO			$ 1,072	1	$ 1,072	1
70540	70540: MRI IACS, ORBIT, PIT. NECK W/O DYE	$ 3,135	3			$ 5,225	5
70543	70543: MRI IACS, ORBIT, PIT. NECK W/O & W/DYE	$ 106,752	48	$ 135,664	61	$ 104,528	47
70544	70544: MR ANGIOGRAPHY HEAD W/O DYE	$ 12,540	12	$ 3,135	3	$ 4,180	4
70545	70545: MR ANGIOGRAPHY HEAD W/DYE	$ 9,351	9	$ 10,390	10	$ 17,663	17
70546	70546: MR ANGIOGRAPH HEAD W/O&W/DYE	$ 3,956	2	$ 1,978	1	$ 7,912	4
70547	70547: MR ANGIOGRAPHY NECK W/O DYE	$ 6,000	6	$ 2,000	2	$ 1,000	1
70548	70548: MR ANGIOGRAPHY NECK W/DYE	$ 7,273	7	$ 5,195	5		
70549	70549: MR: Angiograph Neck w/O&W/Dye					$ 1,961	1
70551	70551: MRI BRAIN W/O DYE	$ 168,304	157	$ 167,232	156	$ 184,384	172
70552	70552: MRI BRAIN W/DYE	$ 6,430	5	$ 1,286	1	$ 5,144	4
70553	70553: MRI BRAIN W/O & W/DYE	$ 320,634	141	$ 422,964	186	$ 363,840	160
71552	71552: MRI CHEST W/O & W/DYE	$ 1,493	1	$ 1,493	1		
72141	72141: MRI CERVICAL SPINE, W/O CONTRAST	$ 168,330	155	$ 158,556	146	$ 150,518	139
72142	72142: MRI CERVICAL SPINE W/DYE	$ 2,700	3	$ 1,800	2	$ 1,800	2
72146	72146: MRI THORACIC SPINE W/O CONTRAST	$ 31,995	27	$ 27,255	23	$ 31,995	27
72148	72148: MRI LUMBAR SPINE W/O DYE	$ 403,995	345	$ 344,274	294	$ 343,753	294
72149	72149: MRI LUMBAR SPINE W/DYE	$ 900	1			$ 1,800	2
72156	72156: MRI CERVICAL SPINE W/O & W/DYE	$ 11,495	5	$ 16,093	7	$ 6,897	3
72157	72157: MRI THORACIC SPINE W/O & W/DYE	$ 6,400	4	$ 4,800	3	$ 8,000	5
72158	72158: MRI LUMBAR SPINE W/O & W/DYE	$ 68,220	30	$ 59,124	26	$ 86,412	38
72195	72195: MRI PELVIS W/O DYE	$ 8,496	8	$ 6,372	6	$ 3,186	3
72197	72197: MRI PELVIS W/O & W/DYE	$ 47,061	21	$ 33,615	15	$ 22,410	10
73218	73218: MRI UPPER EXTREMITY W/O DYE	$ 12,540	12	$ 2,090	2	$ 6,270	6
73219	73219: MRI UPPER EXTREMITY W/DYE	$ -	0				
73220	73220: MRI Uppr Extremity W/O&W/Dye					$ 5,600	7
73221	73221: MRI JOINT UPR EXTREM W/O DYE	$ 114,512	145	$ 105,560	140	$ 107,068	142
73223	73223: MRI Joint Upr Extr W/O&W/Dye			$ 6,672	3		
73718	73718: MRI LOWER EXTREMITY W/O DYE	$ 24,035	23	$ 17,765	17	$ 28,215	27
73720	73720: MRI LWR EXTREMITY W/O&W/DYE	$ 15,568	7	$ 4,448	2	$ 13,344	6

73721	73721: MRI JNT OF LWR EXTRE W/O DYE	$ 260,205	249	$ 269,610	258	$ 292,155	280
73722	73722: MRI Joint of Lwr Extr W/Dye			$ 2,489	2		
73723	73723: MRI JOINT LWR EXTR W/O&W/DYE	$ 8,896	4	$ 2,224	1	$ 6,672	3
74181	74181: MRI ABDOMEN W/O DYE	$ 10,610	10	$ 4,244	4	$ 4,244	4
74183	74183: MRI ABDOMEN W/O & W/DYE	$ 22,210	10	$ 15,547	7	$ 24,431	11
74185	74185: MRI ANGIO, ABDOM W ORW/O DYE	$ 1,108	1	$ 1,108	1	$ 1,108	1
TOTAL		$ 1,865,144	1,451	$ 1,836,055	1,386	$ 1,842,787	1,426

Premier Medical Group, PC
#CN9909-082A
Projection 2 Years

	2012	2013	2014	Projected 2015	Projected 2016
PMG Office Visits	205,099	206,051	208,635	211,243	213,883
Counts MRI	1,426	1,386	1,451	1,469	1,488
Charges MRI	$ 1,842,787	$ 1,836,055	$ 1,865,144	$ 1,917,323	$ 1,941,290
% (decrease)/increase MRI		-0.37%	1.58%		
$$ Charge Per Count	$ 1,292	$ 1,325	$ 1,285	$ 1,305	$ 1,305
# of MRI per Office Visit	0.0070	0.0067	0.0070	0.0070	0.0070

2015 Projection is based on an increase of 1.25 % over the prior year, 1.25% came from the increase in visits
2016 Projection is based on an increase of 1.25 % over the prior year, 1.25% came from the increase in visits

Premier Medical Group, PC
#CN9909-082A
Year to Date
MRI DATA for Referring Provider
NOTE: Current Protocol we will ONLY provider MRI services on our established patients

Referring Claim Provider	Employed by PMG	# of Charges Billed - 2014	# of Charges Billed - 2013	# of Charges Billed - 2012
ANDERSON, JEFFREY V	YES	1	0	7
BRANDON, GILBERT T	YES	24	68	56
CABELL, CORTNEY	YES	5	10	5
CARMAN, TOMMY L	YES	59	80	52
CARRIGAN, VERNON M	YES	52	8	18
DARKE, PAUL	YES	0	1	0
ENGEL, MICHAEL E	YES	50	43	42
ESEME, MICHAEL E	YES	0	4	12
FRYER, AMANDA	YES	1	0	0
GOUDREAU, SARRAH	YES	2	0	0
HAMRE, JEFFREY L	YES	3	3	5
HARRIS-FORD, LAURIE	YES	1	5	10
HELLUMS, DEBORAH BROOKS	YES	35	40	47
HESSOCK, MELISSA	YES	2	0	0
HUFFMAN, DONALD W	YES	14	19	16
JACKSON, GALE	YES	87	51	0
JOHNSTON, DAVID	YES	2	5	7
KASPER, ROBERT E	YES	31	23	46
KEEFE, PATRICIA	YES	1	0	0
KING, SHAWN M	YES	59	43	66
KORIVI, GIRIPRASADARAO	YES	73	58	82
KORIVI, JYOTSNA	YES	143	134	129
KOSINSKI, JOSEPH F	YES	46	75	80
LASSITER, PAM	YES	4	0	0
LU, GEORGE E	YES	111	114	155
MANNING, GRETA C	YES	78	100	78
MAUNEY, JIMMY R	YES	13	0	0
MILAM, JACQUELINE D	YES	8	23	21
MILLER, DANIEL R	YES	103	112	121
MOORE, WILLIAM R	YES	7	6	7
OLAND, BRENT	YES	1	0	0
PRINE, WILLIAM W	YES	10	13	12
ROADS, TIMOTHY	YES	1	3	20
SAHAGIAN, KIRK G	YES	2	5	0
SAWYER, KIMBERLY	YES	4	3	2
SCHULTZ, STEPHANIE L	YES	12	11	13
SEAWELL, JENNIFER B	YES	8	6	9
SHERLEY, LANCE A	YES	61	54	45
SILKOWSKI, PETER A	YES	80	89	76
TWYNHAM, CRYSTAL U	YES	0	1	0
VANDER VEEN, BRADLEY S	YES	255	173	184
WALKER, ASHLEY	YES	1	2	0
WAUFORD, LAURA	YES	1	0	0
WHITTEN, ELIZA	YES	0	0	2
TOTAL		1451	1385	1425

172 (a.)

Premier Medical Group, PC
CON #CN9909-082A
Project Costs Chart

A. Construction and equipment acquired by purchase:		
1 Architectural and Engineering Fees	$	-
2 Legal, Administrative (Excluding CON Filing Fee)	$	5,000
3 Acquistion of Site	$	-
4 Preparation of Site	$	-
5 Construction Costs	$	-
6 Contingency Fund	$	-
7 Fixed Equipment (not included in construction contract)	$	-
8 Moveable Equiment (list all equipment over $50,000	$	-
9 Other (Specify)	$	-
Total A	$	5,000
B Acquisition by gift, donation, or lease:		
1 Facility (inclusive of building and land)	$	-
2 Building Only (lease payments)	$	2,576,063
3 Land Only	$	-
4 Equipment (MRI 1.5T GE)	$	891,060
5 Other (Specify)	$	-
Total B	$	3,467,123
C Financing Costs and Fees:		
1 Interim Financing	$	-
2 Underwriting Costs	$	-
3 Reserve for One Year's Debt Service	$	-
4 Other (Maintenance)	$	579,000
Total C	$	579,000
D Estimated Project Cost (A+B+C)	$	4,051,123
E CON Filing Fee	$	9,115
F Total Estimated Project Cost (D+E)	$	4,060,238

LEASE AGREEMENT

THIS LEASE AGREEMENT (the "Lease") is made and entered into as of the 15th day of July, 2014, by and between **PREMIER DEVELOPMENT GROUP, LLC**, a Tennessee limited liability company, hereinafter referred to as "Landlord," and **PREMIER MEDICAL GROUP, P.C.**, a Tennessee professional corporation, hereinafter referred to as "Tenant."

WITNESSETH:

1. GRANT OF LEASE. For and in consideration of the payment by Tenant of the rent hereinafter set out, the performance by Tenant of the covenants and agreements herein contained, and subject to all the provisions hereinafter set forth, Landlord hereby leases to Tenant, and Tenant leases from Landlord, that certain office space (the "Premises") in a building to be constructed by Landlord on a tract of land located in the Clarksville, Montgomery County, Tennessee, comprised of the following two (2) parcels:

(a) approximately 10.44 acres generally bounded on the west by Ted Crozier Sr. Boulevard, on the north by Dunlop Lane, on the east by Chesapeake Lane, and on the south by Bell Trace Court, and

(b) approximately 1.24 acres generally bounded on the north by Dunlop Lane, on the east by Chesapeake Lane, and on the south and west by the 10.44 acres described in (a) just above.

(The parcels generally described in (a) and (b) above are together referred to herein as the "Property.) An office building shall be constructed on the Property in the manner as shown on the plans designated as Exhibit "A," which Exhibit is attached to this Lease and incorporated herein by reference, and the Premises, which will be located in such building, shall likewise be constructed as shown on Exhibit "A," including the specifications included therein.

2. TERM. (a) The Term of this Lease shall be for a period of fifteen (15) years and shall commence on the earlier of: (a) the date that Tenant takes possession or commences use of the Premises, or (ii) the date that the Premises is tendered to Tenant ready for occupancy. The date of actual commencement (the "Actual Commencement Date") shall be confirmed by the parties inserting the appropriate date below in this Paragraph 2(a) and initialing that provision.

Landlord shall attempt, in good faith, to have construction of the Premises and the building on the Property completed, and shall attempt to deliver the Premises to Tenant, by January1, 2016 (the "Target Commencement Date.") However, the Actual Commencement Date of this Lease shall be the date determined in accordance with the provisions above in this Paragraph 2(a), and is: _____.

_____ _____

Landlord Tenant

(To be initialed by both parties when the Actual Commencement Date is known and inserted above, after this Lease is signed.)

(b) Tenant shall have the right and option to renew this Lease for two (2) additional, consecutive five (5) year terms (the "Renewal Terms"), the first of which shall commence the day after the expiration of the initial Term, and the second of which shall commence the day after the expiration of the first Renewal Term. Tenant shall be deemed to have exercised any renewal option which it has unless it gives Landlord at least six (6) months' written notice prior to the end of the Term then in effect that it is not exercising its renewal option. Upon giving such notice, all further renewal options of Tenant shall be cancelled. Each Renewal Term shall be subject to the terms and conditions of this Lease. Upon any default by Tenant under this Lease, or upon termination of this Lease, all further renewal rights of Tenant shall immediately terminate. (Unless the context requires otherwise, as used herein "Term" shall include any and all renewals and extensions of this Lease.)

(c) Subject to the provisions of this Lease, Tenant shall have the right to peacefully occupy, use and enjoy the Premises during the Term, provided Tenant pays all Rent and other sums required to be paid by Tenant and performs all of Tenant's obligations and covenants herein contained.

3. RENT. (a) For the first three (3) years of the initial fifteen (15) year Term, Tenant shall pay Landlord annual Rent in the amount of One Million One Hundred Five Thousand Eight Hundred Eighty Two Dollars, ($1,105,882). Such Rent shall be due and payable in twelve (12) equal monthly installments of Ninety Two Thousand One Hundred Fifty Seven Dollars ($ 92,157) in advance on the same numerical day as the Actual Commencement Date, each calendar month during the Term, without notice or demand.

For each Lease year after the first three (3) years of the initial fifteen (15) year Term, including for each Lease year during the Renewal Terms, annual Rent (as calculated below) shall likewise be due and payable in twelve (12) equal monthly installments in advance on the same numerical day as the Actual Commencement Date, each calendar month during such Lease year, without notice or demand.

(b) For each Lease year after the first three (3) years of the initial fifteen (15) year Term, the annual Rent shall be increased (i.e., above the annual Rent charged for the first three (3) years of the initial Term) for each Lease year (including each Lease year of a Renewal Term), by three percent (3%) above the annual Rent for the prior Lease year. Accordingly, the annual Rent shall increase each Lease year (including each Lease year during the Renewal Terms) after the first three (3) years of the initial Term.

(c) In addition to such annual Rent, Tenant shall pay such other costs, expenses and amounts set out in this Lease.

4. POSSESSION. Tenant agrees that if Landlord is unable to deliver possession of the Premises to Tenant on the Target Commencement Date, this Lease shall not be void or voidable nor shall Landlord be liable to Tenant for any loss or damage resulting therefrom. In this event, Tenant shall begin paying Rent on the Actual Commencement Date, as determined in accordance with Paragraph 2(a).

5. USE. (a) Tenant shall use and occupy the Premises for purposes relating to its medical practice, including the provision of medical and surgical services, medical diagnostic services, and general medical and medical business offices. Tenant shall not use or permit the Premises, or any part thereof, to be used for any other purpose without the prior written consent of Landlord.

(b) Tenant shall not commit or permit any waste in or on the Premises or any nuisance (public or private) or other act or condition which may disturb the quiet enjoyment of adjoining landowners or other lessees. Tenant shall not use or allow the Premises to be used for any improper, immoral or unlawful purpose.

(c) Tenant shall carry out its medical practice, and only use the Premises in accordance and compliance with, all applicable laws and regulations.

(d) Tenant shall permit no hazardous substances to be located upon or generated, stored, transported to or from, disposed of or used on or within the Premises, except for hazardous substances used in the practice of medicine and/or laboratory facilities, provided these hazardous substances are used, stored and disposed of in accordance with applicable law. Tenant is responsible for hazardous substance removal.

(e) Tenant shall not permit any accumulation of garbage, trash or other refuse on or within the Premises and shall keep all garbage, trash and other refuse in proper containers until it is properly (and promptly) disposed of off the Property.

(f) In using the Premises, Tenant shall not do, or permit anything to be done, that would in any way increase the rate of fire or liability or any other insurance coverage on the Premises, cause the load upon any floor (or part thereof) in the Premises to exceed the load for which the floor was designed or the amount permitted by law, or use electrical energy exceeding the capacity of the then-existing feeders or wiring installations.

6. PAYMENT OF TAXES, INSURANCE AND UTILITIES. (a) Tenant shall timely and directly pay to the parties respectively entitled thereto all personalty taxes, ad valorem taxes, sales and use taxes, and any other assessments and other impositions on Tenant's equipment, inventory, furniture and fixtures located in the Premises or on the Property, premiums for insurance required to be maintained by Tenant under this Lease, and all other charges, costs and expenses incurred in connection with the operation of the Premises or Property which are or may be contemplated under the provisions of this Lease during the Term. Upon the failure of Tenant to pay any of them, Landlord shall have the same rights and remedies as otherwise provided in this Lease for the failure of Tenant to pay Rent. Tenant shall timely provide evidence upon request to Landlord of the payment of all taxes and any other assessments or impositions on Tenant's equipment, inventory, furniture and fixtures located in the Premises or on the Property and premiums for insurance required to be maintained by Tenant under this Lease.

(b) Tenant shall timely pay all utilities for the Premises and Property, including all charges for water, telephone, internet, sewer, electricity and gas. Tenant shall have

such all such utilities placed in its own name. Tenant shall leave sufficient heat on in the Premises during cold weather, so that the pipes serving the Premises will not freeze, particularly at nights and on weekends.

(c) Tenant shall timely pay all property taxes, ad valorem taxes and assessments on the Premises and Property, and any sales and use taxes imposed in conjunction with this Lease. Tenant shall timely provide evidence to Landlord of the payment of the property taxes, ad valorem taxes and assessments, and sales and use taxes.

7. MAINTENANCE AND REPAIRS. (a) Subject to the terms set out herein, Tenant shall maintain, at Tenant's sole expense, the Premises, building on the Property, and all fixtures, furnishings and equipment located on, or serving, the Premises, building or Property in compliance with all applicable laws, and in a clean, safe and sanitary condition, ordinary wear and tear excepted. Without limiting the generality of the foregoing, Tenant, at its sole expense, shall make any required repairs to: (i) any pipes, lines, ducts, wires or conduits contained on or serving the Premises or building in which the Premises is located; (ii) any heating, air conditioning, electrical, ventilation, plumbing, mechanical, communications or other equipment or systems installed in or serving the Premises or the building in which the Premises is located; (iii) any alarm systems or elevators serving the Premises or building; and (iv) any sidewalks, steps, driveways and parking lots (including repaving, sealing and restriping, as needed) on or serving the Premises or on the Property. The driveways and parking lots shall be resealed and restriped at least once every five (5) years at a minimum (or more often, if needed). Tenant shall keep the Premises, building in which the Premises is located, and Property clean, in good repair, free from rubbish, and in a first-class condition.

(b) If any maintenance or repair is required on account of any action or inaction of Tenant, or anyone coming onto the Premises or Property on account of Tenant, then such maintenance and repair shall be Tenant's sole responsibility, and at Tenant's sole expense, and shall be completed in a good, workmanlike, first class and prompt manner. Tenant, at Tenant's sole expense, shall be responsible for: any snow and ice removal from the Property and from the sidewalks and parking lot on the Property; any periodic permits or inspections needed for the Premises or building in which the Premises is located, or for equipment or systems located therein; mowing the grass and maintaining the shrubbery on the Property; light bulb replacement; any maintenance or repair of Tenant's signs; any maintenance or repair of glass in the building in which the Premises is located; trash pickup and removal; security services; keeping the Property and building thereon free from vandalism and graffiti; bathroom supplies; filter replacement; any maintenance or repair of the toilets, sinks and plumbing fixtures in the Premises and building in which the Premises is located, and the pipes and drains serving them; and maintaining contracts for the regular service, cleaning and inspection of the HVAC and other systems serving the Premises or building in which the Premises is located, in accordance with manufacturer's suggested guidelines.

(c) Tenant shall allow no waste or injury to any part of the Premises, and Tenant shall, at the expiration or earlier termination of the Term, surrender the Premises in an order and condition equal to or better than its order and condition on the Actual Commencement Date, ordinary wear and tear excepted. Tenant shall be responsible, at Tenant's sole expense, for providing all janitorial and cleaning services (including trash pickup, vacuuming, floor cleaning

and general floor cleanup) for the Premises and building in which the Premises is located. All such services shall be provided in accordance with cleaning standards customarily maintained for similar first class facilities.

(d) In the event Tenant fails to comply with the requirements of this Paragraph 7, Landlord may perform such maintenance and repair, and the costs thereof, plus ten percent (10%) of said costs to cover overhead, shall be payable by Tenant to Landlord within ten (10) days of demand therefor.

(e) If there is no threat of immediate damage or harm to person or property with respect to the Premises or building in which the Premises is located, then prior to Landlord's exercising Landlord's right pursuant to Paragraph 7(d) to perform repairs or maintenance on behalf of Tenant during the Term, Landlord shall provide Tenant with twenty (20) days' written notice of Tenant's failure to comply with the maintenance and repair obligations set forth herein. If Tenant cures said default within said twenty (20) day period, or if said default cannot be cured within a twenty (20) day period but Tenant commences to cure the default within said period and diligently pursues the cure to completion, then Tenant shall not be deemed to be in default for purposes of declaring this Lease in default hereunder, and Landlord shall have no right to commence or be reimbursed for any maintenance and repairs which were the obligation of Tenant.

(f) Tenant shall do nothing which will invalidate or shorten any warranty on the systems serving the Premises or the building in which the Premises is located. Landlord will provide Tenant with copies of any warranties which Landlord receives with respect to the construction of the Premises or the building, any materials used therein, and the installation of systems serving the Premises or the building, so that Tenant may take advantage of the warranties wherever possible when Tenant is maintaining the Premises and building.

8. ALTERATIONS. (a) Except as provided in Paragraph 10(b), Landlord shall have no obligation to make any alterations, decorations, additions or improvements in or to the Premises, the building in which the Premises is located, or the Property.

(b) Tenant shall not make, or permit anyone to make, any alterations, additions, improvements or other changes (collectively, the "Alterations"), structural or otherwise, in or to the Premises, the building in which the Premises is located, or the Property, without the prior written consent of Landlord, which consent shall not be unreasonably withheld or delayed with respect to the Premises, but which shall be in Landlord's sole discretion with respect to the remainder of the building and Property. Any Alterations made by Tenant shall be made: (i) in a good, workmanlike, first class and prompt manner; (ii) by a licensed contractor in accordance with plans and specifications approved in writing by Landlord; and (iv) in accordance with all applicable legal requirements and the requirements of any insurance company insuring the Premises, the building in which the Premises is located or the Property. If any mechanics' or materialmen's lien (or a notice to establish such lien) is filed against the Premises, the building or the Property for work claimed to have been done for, or materials claimed to have been furnished to, the Premises, or for work or improvements authorized by Tenant hereunder, Tenant shall discharge the lien within ten (10) days thereafter, at Tenant's sole

expense, either by the payment thereof or by filing a bond acceptable to Landlord transferring the lien to the bond.

(c) Notwithstanding anything else herein contained, any Alterations made by Tenant shall not adversely affect the: (a) structural integrity or exterior of the building in which the Premises is located; (b) foundation or roof of such building; or (c) heating, air conditioning, electrical, ventilation, plumbing, alarm, mechanical, communications or other systems serving such building.

(d) If any Alterations are made without the prior written consent of Landlord, Landlord shall have the right, at Tenant's expense, to remove and correct such Alterations and restore the Premises, the building in which the Premises is located and the Property to their condition immediately prior thereto, or to require Tenant to do the same. All Alterations made by either party shall immediately become the property of Landlord and shall remain upon and be surrendered with the Premises as a part thereof at the expiration or earlier termination of this Lease; provided, however, that if Tenant is not in default under this Lease, then Tenant shall have the right to remove, prior to the expiration or earlier termination of this Lease, all movable furniture, furnishings, equipment and trade fixtures installed in the Premises solely at the expense of Tenant, provided any damage to the Premises caused by such removal is promptly and fully repaired. If such furniture, furnishings, equipment and trade fixtures are not removed by Tenant prior to the expiration or earlier termination of this Lease, Landlord shall have the right at Tenant's expense to remove from the Premises those of them which Landlord designates in writing for removal, or to require Tenant to do the same, and Tenant shall promptly pay to Landlord the cost Landlord expends for such removal and repair.

(e) Provided Landlord does not materially diminish the quality or quantity of services being provided to the Premises or adversely affect the functional utilization of the Premises, Landlord reserves the right, at any time and from time to time, to make alterations, additions, repairs or improvements to or in, to change the location or arrangement of, or to decrease the size or area of: (i) any of the common areas of the building in which the Premises is located (but excluding inside the Premises) or on the Property; (ii) any fixtures and equipment serving the building (including without limitation the heating, air conditioning, electrical, ventilation, plumbing, alarm, mechanical, communications and other systems); (iii) walkways outside the Premises; and (iv) entrances or passageways, doors and doorways, corridors, elevators, stairs, toilets and other public parts of the building in which the Premises is located (but excluding inside the Premises).

9. ASSUMPTION OF RISK; INSURANCE. (a) As a material part of the consideration to be rendered to Landlord under this Lease, Tenant assumes all risks of damage to all its personal property located in and upon the Premises, unless damage is caused by the gross negligence or willful misconduct of Landlord.

(b) During the entire Term of this Lease, Tenant shall obtain and maintain, at its expense, broad-form comprehensive general public liability insurance against claims for bodily injury, death and property damage occurring in, on, or about the Premises and the Property with limits of not less than Five Hundred Thousand Dollars ($500,000)/One Million Dollars ($1,000,000). Such insurance shall name Landlord and Landlord's lenders, if any, as

additional insureds thereunder. Tenant shall furnish Landlord with a certificate evidencing such coverage.

(c) During the entire Term of this Lease, Tenant shall maintain, at its expense, all employees' compensation insurance required to be carried by Tenant under the Tennessee Workers' Compensation Act or other applicable laws now existing or as hereafter modified, supplemented or amended.

(d) Tenant shall maintain, at its expense, all-risk fire and extended coverage insurance on the Premises and the building in which it is located, for the maximum insurable amount, which shall cover at a minimum the full replacement cost of the property insured. Said insurance shall name Landlord as the insured and Landlord's lenders, if any, as mortgage payees.

(e) Tenant shall maintain, at its expense, all-risk fire and extended coverage insurance on all of its personal property, including removable trade fixtures, located in the Premises. Said insurance shall be in an amount equal to the full replacement cost of all such property. In addition, Tenant shall obtain, at its expense, any other insurance reasonably required by Landlord that is customarily required by institutional lenders on properties similar to the Premises.

(f) Tenant shall cause to be issued to Landlord, and shall provide Landlord with, proper certificates of insurance and a copy of policies evidencing Tenant's compliance with the covenants of Tenant contained in this Paragraph 9. All such insurance shall be effected under policies reasonably satisfactory to Landlord. Unless specifically provided otherwise, the policies shall name Landlord as an additional insured, and Landlord's lenders as mortgage payees, and shall contain provisions against cancellation, material change or non-renewal without Landlord and any lender being given at least thirty (30) days' prior written notice thereof. Each insurance policy shall provide that all rights of subrogation are waived against Landlord and Landlord's lenders, provided consents to the waiver of subrogation can be obtained from the insurance company or companies. No insurance policy shall contain a deductible of more than Five Thousand Dollars ($5,000), except as otherwise approved by Landlord in writing.

(g) In no event shall the limits of the insurance policies be considered as limiting the liability of Tenant.

(h) Landlord shall not be required to carry insurance of any kind on Tenant's property or equipment or Tenant's Alterations or leasehold improvements.

10. INSPECTION; ROOF AND STRUCTURE. (a) Landlord shall have the right at all reasonable times and upon reasonable notice to Tenant during the Term of this Lease to enter the Premises for the purpose of examining or inspecting the same and to assure itself that Tenant is repairing and maintaining the Premises and fulfilling its obligations as provided in this Lease. Landlord shall use reasonable efforts not to disturb Tenant's use and occupancy. In the case of an emergency, Landlord may enter the Premises immediately to inspect and/or remedy the problem. Landlord shall be not disclose any protected health information about any patient of

Tenant it may discover in entering the Premises or otherwise disclose any confidential patient information which it may discover or which may be disclosed to it.

(b) Landlord shall repair and maintain the roof covering the Premises and building in which the Premises is located and the foundation and structural portions of the Premises and building, unless the necessity for maintenance and repairs is in any way caused by the act, neglect, fault or omission of Tenant, its employees, agents, contractors or invitees. In this event, Tenant shall pay to Landlord the reasonable cost of these maintenance and repairs. Landlord shall not be liable for any failure to make any repairs or to perform any maintenance unless Landlord receives written notice of the need for the repairs or maintenance from Tenant and fails to make the repairs or perform maintenance within a reasonable period of time following notice. Rent and Tenant's obligation to pay other amounts due hereunder shall not abate nor shall Landlord be liable as a result of any injury to or interference with Tenant's business arising from the making of any repairs or the performance of any maintenance in or to any portion of the Premises, unless Landlord's repairs or its failure to make repairs makes the Premises untenable and the repairs are not necessitated by negligence of Tenant or its employees, agents, contractors or invitees.

11. PARKING. Tenant shall be entitled to use for its employees, patients vendors and invitees, those parking facilities which may be constructed, from time to time, for that purpose by Landlord on the Property. Tenant agrees to comply with, and to cause its employees, patients, vendors and invitees to comply with, reasonable rules and regulations with respect thereto as Landlord may establish from time to time. Landlord shall provide Tenant with written notice of these rules and regulations. Landlord reserves the right to alter and/or modify the layout and design of the parking and driveway areas from time to time constructed, or proposed to be constructed, on the Property. Landlord and Tenant acknowledge that certain parking spaces will need to be designated as handicapped spaces, and Tenant agrees to abide by and enforce the laws with respect to them.

12. DAMAGE AND DESTRUCTION. (a) Subject to the provisions of Paragraphs 12(b) and 12(c), if the Premises is totally or partially damaged or destroyed from any cause or disaster, thereby rendering the Premises totally or partially inaccessible or unusable:

(i) then Landlord shall diligently restore and repair the Premises to substantially the same condition it was in prior to such damage or destruction; provided, however,

(1) if in Landlord's sole judgment the restoration and repairs cannot be completed within six (6) months after the occurrence of the damage or destruction, then Landlord shall have the right, at Landlord's sole option, to terminate this Lease by giving written notice of termination to Tenant within sixty (60) days after the occurrence of the damage or destruction; and

(2) such obligation to restore and repair the Premises shall be limited to the amount of proceeds that Landlord receives from property and casualty insurance thereon, and if the amount of such insurance proceeds is not sufficient to restore and repair the Premises to the same general condition that it was just prior to the damage or destruction, then Landlord shall have the right, at Landlord's sole option, to terminate this Lease by giving written notice of termination to Tenant within forty-five (45) days after Landlord becomes aware that such insurance proceeds are insufficient to accomplish said restoration and repair.

(ii) if this Lease is thereby terminated by Landlord in accordance with Paragraph 12(a)(i), then Rent payable hereunder shall be apportioned and paid to the date of such damage or destruction.

(iii) if this Lease is not thereby terminated pursuant to Paragraph 12(a)(i), then

(1) until the restoration and repair of the Premises are substantially complete, Rent shall be appropriately abated as to that portion of the Premises which is unsuitable for occupancy by Tenant; and

(2) Landlord shall bear the cost and expenses of such restoration and repair of the Premises.

(b) Notwithstanding anything in Paragraph 12(a) to the contrary, if the Premises is totally or partially damaged or destroyed from any cause or disaster, thereby rendering the Premises totally or partially inaccessible or unusable,

(i) Landlord shall not be required to repair, restore or replace any decorations, Alterations or improvements to the Premises previously made by Tenant unless adequate insurance proceeds are available to pay the full costs thereof. It shall be Tenant's sole responsibility to repair, restore or replace any trade fixtures, furnishings, equipment or personal property belonging to Tenant (if Tenant indeed chooses to so repair, restore or replace them).

(ii) if such damage or destruction was caused by the intentional act or negligence of Tenant, or anyone coming on the Premises or Property on account of Tenant, then: (1) Tenant shall pay to Landlord the amount by which such costs and expenses exceed the insurance proceeds, if any, received by Landlord on account of such damage or destruction; and (2) there shall be no abatement of Rent pursuant to Paragraph 12(a).

(iii) Landlord's obligation to repair the Premises (including under Paragraph 12(a)(iii)(2)) is subject to the prior right of Landlord's lenders to receive insurance proceeds as a result of a fire or other casualty. Any obligation of Landlord shall be limited to the extent insurance proceeds are actually received by Landlord and released by its lenders for these repairs.

(c) If any damage to or destruction of the Premises exceeds forty percent (40%) of the replacement value of the Premises, then, Landlord shall have the right to terminate this Lease by written notice to Tenant within sixty (60) days after the occurrence of such damage or destruction.

(d) Except for Landlord's gross negligence or willful misconduct, no damages, compensation or claims shall be payable by Landlord for inconvenience, loss of business or annoyance arising from any restoration or repair of any portion of the Premises or the Property. Landlord shall use its best efforts to effect any restoration or repair that Landlord is required to perform under this Lease promptly and in a manner which shall not unreasonably interfere with Tenant's use and occupancy.

13. INTERRUPTION; INABILITY TO PERFORM. (a) Tenant shall not be entitled to any reduction of Rent by reason or on account of: (i) the installation, use, or interruption of use of, any systems or equipment in connection with furnishing any heating, air conditioning, electrical, ventilation, plumbing, alarm, mechanical, communications or other services for the Premises or the building in which the Premises is located; or (ii) the failure to furnish or delay in furnishing any of the foregoing services.

(b) Landlord shall use reasonable efforts to make any repairs it is required to make under this Lease within a reasonable period of time.

However, if Landlord is unable to perform, or is delayed in performing, any construction, installations, decorations, repairs, alterations, additions or improvements under this Lease, or is unable to fulfill or delayed in fulfilling any of its other obligations under this Lease by reason of acts of God, accidents, breakage, strikes or other labor disputes of any character, inability to obtain utilities or materials, or any other reason beyond Landlord's reasonable control, then no inability or delay by Landlord shall: (i) constitute an actual or constructive eviction, in whole or in part; (ii) entitle Tenant to any abatement or diminution of Rent; (iii) relieve Tenant from any of its obligations under this Lease; or (iv) impose any liability upon Landlord for any inconvenience, annoyance, interruption, injury or loss to or interference with Tenant's business or use and occupancy or quiet enjoyment of the Premises or any loss or damage occasioned thereby.

14. CONDEMNATION. (a) If all or a substantial part (as hereinafter defined) of the Premises, or the use or occupancy of a substantial part of the Premises, is taken or condemned by any governmental or quasi-governmental authority for any public or quasi-public use or purpose

(including a sale thereof under threat of such a taking), then this Lease shall terminate on the date title thereto vests in such governmental or quasi-governmental authority, and all Rent payable hereunder shall be apportioned as of such date.

(b) If less than a substantial part of the Premises, or if the use or occupancy of less than a substantial part of the Premises, is taken or condemned by any government or quasi-governmental authority for any public or quasi-public use or purpose (including a sale thereof under threat of such a taking), then this Lease shall continue in full force and effect as to the portion of the Premises not so taken or condemned, except that as of the date title vests in the governmental or quasi-governmental authority, Tenant shall not be required to pay Rent with respect to the portion of the Premises taken or condemned (and a proportionate reduction of Rent shall be made on account of portion of the Premises so taken or condemned).

If this Lease continues, Landlord shall restore and repair at its own expense, as speedily as circumstances permit, the Premises as a complete unit of substantially the same proportionate usefulness, design and construction as existing immediately before the taking. During the period required for restoration and repair, the Rent shall be abated appropriately based on the extent to which the making of repairs shall interfere with the business carried on by Tenant in the Premises. Landlord's obligation to restore and repair the Premises is subject to the prior right of Landlord's lenders to receive the proceeds from any condemnation. Any obligation of Landlord shall be limited to the extent condemnation proceeds are actually received by Landlord and released by its lenders for these repairs.

(c) For purposes of this Paragraph 14, a substantial part of the Premises shall be considered to have been taken if more than twenty percent (20%) of the Premises is taken or is rendered unusable as a result of such condemnation.

(d) Except as specifically provided otherwise in this Paragraph 14(d), all awards, damages and other compensation paid by the condemning authority on account of such taking or condemnation (or sale under threat of such a taking) shall belong to Landlord. Tenant agrees not to make any claim against Landlord or the condemning authority for any portion of such award or compensation attributable to damages to the Premises or leasehold improvements, except for costs of leasehold improvements paid for by Tenant. Nothing contained herein, however, shall prevent Tenant from pursuing a separate claim against the condemning authority for relocation expenses and for the value of furnishings, equipment and trade fixtures installed in the Premises at Tenant's expense and which Tenant is entitled pursuant to this Lease to remove at the expiration or earlier termination of the Term, provided that such claim shall in no way diminish the award or compensation payable to or recoverable by Landlord in connection with such taking or condemnation.

15. ASSIGNING AND SUBLETTING. (a)(i) Except as set forth herein, Tenant shall not assign, transfer, mortgage or otherwise encumber this Lease or any of Tenant's rights hereunder or interest herein, or sublet any portion of the Premises, without obtaining the prior written consent of Landlord and Landlord's lenders, which consent may be withheld or granted in Landlord's and its lenders' sole discretion. No assignment or transfer of this Lease or the right of occupancy hereunder may be effectuated by operation of law or otherwise without the prior

written consent of Landlord. The consent by Landlord to any assignment, subletting or occupancy shall not be construed as a waiver or release of Tenant from liability for the performance of any covenant or obligation to be performed by Tenant under this Lease, nor shall the collection or acceptance of Rent from any assignee, subtenant or occupant constitute a waiver or release of Tenant from any of its liabilities or obligations under this Lease. Landlord's consent to any assignment, subletting or occupancy shall not be construed as relieving Tenant or any assignee, subtenant or occupant from the obligation of obtaining Landlord's prior written consent to any subsequent assignment, subletting or occupancy. For any period during which Tenant is in default hereunder, Tenant hereby assigns to Landlord the rent due from any assignee, subtenant or occupant of Tenant and hereby authorizes each such assignee, subtenant or occupant to pay said rent directly to Landlord.

(ii) If at any time during the Term, Tenant desires to transfer, assign or sublet all or part of its interest in the Premises, then in connection with Tenant's request to Landlord for Landlord's consent thereto, Tenant shall give notice to Landlord in writing of the identity of the proposed assignee or subtenant and its business, the terms of the proposed assignment or subletting, and the commencement date of the proposed assignment or subletting. Tenant shall also transmit therewith the most recent financial statement or other evidence of financial responsibility of such assignee or subtenant and a certification executed by Tenant and such proposed assignee or subtenant stating whether or not any premium or other consideration is being paid for the proposed assignment or sublease.

(iii) All restrictions and obligations imposed pursuant to this Lease on Tenant shall be deemed to extend to any assignee, subtenant or occupant of Tenant, and Tenant shall cause such person or entity to comply with the restrictions and obligations.

(iv) Any attempted assignment or sublease by Tenant in violation of the terms and covenants of this Lease shall be null and void.

(b) (i) Landlord may assign its interest in the Premises. In the event that Landlord elects to assign, transfer, convey or hypothecate its rights hereunder at any time during the Term, Tenant covenants and agrees to give its acknowledgments of the conveyance in writing upon request and to execute any reasonable written instruments as may be necessary or requested in connection therewith.

(ii) Tenant agrees that upon assignment of Landlord's interest, Landlord shall be relieved of further responsibilities under this Lease upon Landlord's assignee assuming all obligations of Landlord, and Tenant shall attorn to the assignee.

16. TENANT DEFAULT. (a) The following shall constitute events of default by Tenant: (i) failure to pay Rent or any other amount owed hereunder when the same is due and payable under the terms of this Lease, and the default shall continue for a period of ten (10) days after written notice thereof has been given to Tenant by Landlord; (ii) failure to perform or comply with any other duty, obligation, covenant, restriction or term imposed upon it by this Lease and the default shall continue for a period of twenty (20) days after written notice thereof has been given to Tenant by Landlord, or if the performance cannot reasonably be completed

within twenty (20) days, Tenant shall not in good faith have commenced performance within the twenty (20) day period and shall not diligently proceed to completion of performance; (iii) an Event of Bankruptcy, as defined in Paragraph 16(c); (iv) abandonment or surrender of the Premises or Tenant's leasehold estate; or (v) the dissolution of Tenant or liquidation or sale of substantially all of Tenant's assets.

(b) To the extent not prohibited by law, in the event of any default by Tenant hereunder and upon giving the written notice as stated in Paragraph 16(a), Landlord shall have the right to cancel and terminate this Lease as well as all of the right, title and interest of Tenant hereunder, without the necessity of providing Tenant with any additional notice of cancellation and termination. To the extent not prohibited by law, Landlord may re-enter the Premises after expiration of the notice period and remove the property and personnel of Tenant, and store the property in a public warehouse or at a place selected by Landlord, at the expense of Tenant. On termination, Landlord may recover from Tenant all damages proximately resulting from the default, including the cost of recovering the Premises. Upon re-entry, Landlord shall make every reasonable effort to re-let the Premises or any part thereof at the best rent and on the best terms as Landlord can obtain, at the expense of Tenant, and Landlord may make alterations and repairs to the Premises, if necessary to obtain a re-letting, all for the purpose of reducing its losses and minimizing the liabilities of Tenant hereunder. Tenant shall be liable for all expenses of the re-letting, including commissions, all necessary expenses of alterations and repairs, and for the difference between the rent received by Landlord under a new lease and the Rent that is due for the same period under this Lease. In the event of default, Tenant shall also be liable to Landlord for any unpaid sums for which Tenants is responsible under this Lease, including without limitation taxes and utility charges.

(c) The following shall be Events of Bankruptcy under this Lease: (i) Tenant becoming insolvent, as that term is defined in Title 11 of the United States Code (the "Bankruptcy Code"), or under the insolvency or receivership laws of any state (the "Insolvency Laws"); (ii) the appointment of a receiver or custodian for any or all of Tenant's property or assets or the institution of a foreclosure action upon any of Tenant's real or personal property; (iii) Tenant's filing or consenting to a petition under the provisions of the Bankruptcy Code or the Insolvency Laws; (iv) the filing of a petition against Tenant as the subject debtor under the Bankruptcy Code or Insolvency Laws, which is not consented to by such subject debtor and which either (1) is not dismissed within ninety (90) days of filing, or (2) results in the issuance of an order for relief against the debtor; or (v) Tenant's making or consenting to an assignment for the benefit of creditors.

Upon occurrence of an Event of Bankruptcy, Landlord shall have all rights and remedies available to Landlord pursuant to Paragraph 16(b); provided, however, that while a case in which Tenant is the subject debtor under the Bankruptcy Code or Insolvency Laws is pending, Landlord shall not exercise Landlord's rights and remedies pursuant to Paragraph 16(b) so long as applicable law does not allow Landlord to do so.

Tenant shall be liable for all costs incurred by Landlord, including reasonable attorneys' fees, in protecting or asserting Landlord's rights and/or remedies under this Lease in any proceeding under the Bankruptcy Code or Insolvency Laws.

17. LANDLORD DEFAULT. Subject to Paragraph 13, if Landlord fails to perform any duties or obligations imposed on it by this Lease and the default continues for a period of twenty (20) days after written notice thereof has been given to Landlord by Tenant, or if performance cannot reasonably be completed within twenty (20) days, Landlord shall not in good faith have commenced performance within the twenty (20) day period and shall not diligently proceed to completion of performance, Tenant shall have the right to cancel and terminate this Lease without the necessity of providing Landlord with any additional notice of cancellation and termination. In the event of termination, Tenant shall not have any further obligation or liability to Landlord for the payment of Rent or other sums due hereunder accruing after the date of termination.

18. LATE CHARGES. Tenant acknowledges that late payment by Tenant to Landlord of Rent or other sums due hereunder will cause Landlord to incur costs not contemplated by this Lease, the exact amount of these costs being extremely difficult and impractical to fix. These costs include, without limitation, processing and account charges and late charges that may be imposed on Landlord by the terms of any encumbrances covering the Premises or the Property. Therefore, if any installment of Rent or other sums due from Tenant is not received by Landlord within seven (7) days after it is due, Tenant shall pay to Landlord an additional sum of five percent (5%) of the overdue installment as a late charge. Acceptance of any late charge shall not constitute a waiver of Tenant's default with respect to the overdue amount or prevent Landlord from exercising any of the other rights and remedies available to Landlord.

19. INDEMNITY. Tenant hereby indemnifies and holds Landlord harmless from and against any claim, loss or liability which may arise out of: (a) Tenant's use and occupancy of the Premises; (b) Tenant's business carried on in the Premises; and (c) except for Landlord's gross negligence or willful misconduct, any death, injury damage or property damage to anyone (including its employees, agents, vendors, contractors and invitees) coming to the Premises or the Property on account of Tenant. Tenant's obligations under this Paragraph shall survive the expiration or termination of this Lease.

20. SUBORDINATION AND ATTORNMENT. (a) Tenant hereby subordinates all of its right, title and interest in and under this Lease: (i) to the lien of any deed of trust signed by Landlord; (ii) the lien resulting from any other method of financing or refinancing by Landlord; (iii) to all replacements, renewals, modifications or extensions of the foregoing (i.e., (i) and (ii)) that may now or hereafter affect the Premises or Property; and (iii) against any improvements hereafter placed on the Property. On demand, Tenant shall execute, acknowledge and deliver to Landlord all instruments that may be necessary or proper to subordinate this Lease and all rights therein to (a), (b) or (c).

(b) In the event of any foreclosure proceeding against Landlord's interest, Tenant agrees that it will attorn to the mortgagee upon notice by the mortgagee and will thereafter make all payments including without limitation Rent, directly to the lender, mortgagee or other person as designated by the lender or mortgagee. However, Tenant's obligation to subordinate its rights under this Lease and to attorn to the lender or mortgagee shall be

contingent upon the lender's or mortgagee's execution of a non-disturbance agreement agreeing that Tenant's rights and benefits under this Lease shall not be interrupted as long as Tenant performs all of its covenants and obligations under this Lease.

(c) Tenant agrees to give any lender of Landlord and/or the mortgagee, by certified mail, a copy of any notice of default served upon Landlord, provided that prior to the notice, Tenant has been notified in writing (by way of notice of assignment of rents and leases or otherwise) of the addresses of the lender and/or mortgagee. Tenant further agrees that if Landlord shall have failed to cure a default as required by the terms of this Lease, then the lender and/or mortgagee shall have the same right to cure any default within the time period afforded Landlord after receipt of notice or, if the default cannot be cured within that time period, then any additional time as may be necessary if, within this period of time, the lender and/or mortgagee has commenced and is diligently pursuing the remedies necessary to cure the default (including without limitation commencement of foreclosure proceedings, if necessary to effect a cure). In this event, this Lease shall not be terminated while the remedies are being so diligently pursued.

(d) Tenant expressly agrees that any lender of Landlord and/or mortgagee shall not be held subject to any liability or obligation to Tenant under this Lease or otherwise, unless and until the lender and/or mortgagee obtains title to the Premises or the Property as a result of foreclosure or otherwise. In this event, Landlord's lender or the mortgagee shall be subject to only those liabilities or obligations arising subsequent to the date the lender or mortgagee obtains title to the Property.

21. ESTOPPEL CERTIFICATES. At any time and from time to time, within ten (10) days after written request from Landlord, Tenant shall execute, acknowledge and deliver to Landlord or to any party designated by Landlord a certificate from Tenant ("Estoppel Certificate") stating: (a) that Tenant has accepted the Premises, (b) the Actual Commencement Date and expiration of this Lease, (c) that this Lease is unmodified and in full force and effect (or, if there have been modifications, that it is in full force and effect as modified and stating the modifications), (d) whether or not there are then existing any defenses against the enforcement of any of the obligations of Tenant under this Lease (and if so, specifying them), (e) whether or not there are then existing any defaults by Landlord in the performance of its obligations under this Lease (and if so, specifying them), (f) the dates, if any, to which Rent and other charges under this Lease have been paid, and (g) any other information that may reasonably be requested. Tenant's failure to execute an Estoppel Certificate within ten (10) days after written demand by Landlord shall constitute an event of default by Tenant hereunder. Any Estoppel Certificate may be relied upon by Landlord and by any prospective purchaser, lender or mortgagee considering the purchase of, or a loan on, all or any part of the Premises or Property.

22. SURRENDER OF PREMISES. (a) On the expiration of the Term or the termination of this Lease, Tenant shall surrender to Landlord the Premises and all of Tenant's improvements and the Alterations (excluding laboratory equipment and other moveable personal property of Tenant) in good condition, except for ordinary wear and tear. Heating, air conditioning and lighting shall be in good working order. Tenant shall remove all of its personal

property and shall perform all restoration made necessary by the removal of any of Tenant's equipment or other personal property upon expiration of the Term or termination of this Lease.

(b) Landlord may elect to retain or dispose of, in any manner, any of Tenant's personal property that Tenant does not remove from the Premises on expiration of the Term or the termination of this Lease by giving at least ten (10) days' notice to Tenant. Title to any of Tenant's personal property that Landlord elects to retain or dispose of on such expiration or termination shall vest in Landlord. Tenant waives all claims against Landlord for any damages to Tenant resulting from Landlord's retention or disposition of such personal property. Tenant shall be liable to Landlord for Landlord's cost of storing, removing and disposing of any of Tenant's personal property left in the Premises after the expiration of the Term or the termination of this Lease.

(c) If Tenant fails to surrender the Premises to Landlord on expiration of the Term or termination of this Lease, Tenant shall hold Landlord harmless from all damages resulting from Tenant's failure to surrender the Premises including, without limitation, claims made by a succeeding tenant resulting from Tenant's failure to surrender the Premises.

The provisions of this Paragraph 22 shall survive the expiration of the Term and the termination of this Lease.

23. HOLDING OVER. If Tenant retains possession of the Premises or any part thereof after the expiration of the Term (as may be properly renewed hereunder) or the termination of this Lease, then Tenant shall be deemed a tenant of the Premises from month-to-month subject to all the terms and provisions hereof, except as to the term of this Lease and except that Tenant shall pay Rent for each month after such expiration or termination at a rate of one hundred twenty-five percent (125%) of the Rent payable for the last month of the Term, computed on a daily basis for each day that Tenant remains in possession. Except for the term and the increased Rent, all other terms and conditions of this Lease shall remain in full force and effect during the holdover period. In addition, upon the expiration or termination of this Lease, Tenant shall be liable for, and pay to Landlord, all damages, consequential as well as direct, sustained by reason of Tenant's holding over beyond the expiration or termination of this Lease.

The provisions of Paragraph 23 shall survive the expiration or termination of this Lease.

24. SIGNS. No other sign, advertisement or notice referring to Tenant shall be placed or otherwise displayed on the Premises, the building in which the Premises is located, or the Property, that has not been approved by Landlord, but approval shall not unreasonably be withheld or delayed. If any such sign, advertisement or notice has not been approved by Landlord, then Landlord shall have the right to remove it at Tenant's expense. All of Tenant's signs shall be: (a) installed after Tenant has obtained all permits and approvals required therefor; and (b) installed, maintained, repaired and replaced in a first class manner. Landlord reserves the right to display signs and advertisements on this Leased Premises: (i) at any time, if Landlord desires to sell the Property or a portion thereof; (ii) if Landlord desires to lease the Premises, during the five (5) months immediately prior to the expiration of the Term, if this Lease is not

going to be renewed; and (iii) at any time that Landlord desires to lease any portion of the building in which the Premises is located (other than the Premises) or any other part of the Property.

25. RULES AND REGULATIONS. Tenant shall faithfully observe and comply with the rules and regulations attached to this Lease as Exhibit "B," which Exhibit is incorporated herein by reference, and all modifications thereof and additions thereto from time to time put into effect by Landlord after prior written notice to Tenant (the "Rules and Regulations"). Landlord may reasonably modify and supplement the Rules and Regulations from time to time. In the event of any conflict between the provisions of this Lease and the Rules and Regulations, this Lease shall control.

26. WAIVER. The failure of either Landlord or Tenant to insist on a strict performance of any of the terms and conditions herein contained in any instance shall not be deemed a waiver in any subsequent instance or for any subsequent breach or default in any terms and conditions.

27. NOTICES. All Rent and other payments and notices required to be given to Landlord under this Lease shall be sent to Landlord, as follows:

Premier Development Group, LLC
Attn.: President
1850 Business Park Drive
Clarksville, Tennessee 37040.

All notices required to be given to Tenant under this Lease shall be sent to Tenant, as follows:

Premier Medical Group, P.C.
Attn.: Chief Administrator
1850 Business Park Drive
P. O. Box 3799
Clarksville, Tennessee 37043-3799.

Either Landlord or Tenant may change its address by giving notice thereof to the other in accordance with the provisions of this Paragraph.

The time of delivery of any notice shall be: (a) if mailed, three (3) days after the date of mailing, postage prepaid; (b) if sent by courier, upon delivery; or (c) if hand-delivered, upon delivery. If Tenant is notified of the identity and address of Landlord's lenders and mortgagees, Tenant shall send to them written notice of any default by Landlord under the terms of this Lease, by registered or certified mail, postage prepaid, return receipt requested, and they shall be given a reasonable opportunity to cure a default prior to Tenant exercising any remedy available to it.

28. COURT COSTS AND ATTORNEY FEES. Tenant agrees to pay all costs of collection, including court costs and reasonable attorney fees, if all or any part of the Rent or other sums owed by Tenant pursuant to this Lease are not timely paid and Landlord's engages an attorney to assist in the collection thereof. In the event it becomes necessary for either party to employ an attorney to successfully compel the other party to comply with or perform any of the covenants, obligations or conditions imposed on the party by this Lease, the party failing to perform the covenants, obligations or conditions shall pay all reasonable attorney fees incurred by the other party and all costs of litigation necessary to compel performance.

29. ENVIRONMENTAL PROTECTION. (a) Except as permitted in Paragraph 5(d), Tenant shall not cause or permit the release or disposal of any hazardous substances, wastes or materials, on or about this Premises or the Property. "Hazardous substances" as such term is used in this Lease means any hazardous, radioactive or toxic substance, material or waste, regulated or listed pursuant to any federal, state or local environmental law, including without limitation, the Clean Air Act, the Clean Water Act, the Toxic Substances Control Act, the Comprehensive Environmental Response Compensation and Liability Act, the Resource Conservation and Recovery Act, the Federal Insecticide, Fungicide and Rodenticide Act, the Safe Drinking Water Act, the Occupational Safety and Health Act, the National Environmental Policy Act, the Tennessee Hazardous Waste Management Act, the Tennessee Hazardous Substances Act, and the Tennessee Petroleum Underground Storage Tank Act. Tenant shall comply with all rules and policies set by Landlord (whether currently in force or hereafter set), and with all federal, state and local laws, regulations and ordinances which govern the use, storage, handling and disposal of hazardous substances, wastes or materials.

Tenant agrees that if Tenant at any time has reasonable cause to believe there is a hazardous substance in the Premises except those described in Paragraph 5(d), Tenant shall notify Landlord within twenty-four (24) hours after Tenant becomes aware of the facts or circumstances giving rise to this belief. Upon receiving a written notification, Landlord may obtain, at Tenant's expense, an environmental audit or assessment from a firm acceptable to Landlord to assess situation.

(b) Tenant agrees that in the event of the presence of a hazardous substance in the Premises or if Tenant fails to comply with any of the requirements of Paragraph 29(a), Landlord may, at its option, but without the obligation to do so, cause any work to be performed in the Premises or on the Property or take any other action as Landlord deems necessary or advisable in order to abate, remove and clean up the hazardous substance or otherwise cure Tenant's non-compliance.

(c) Tenant agrees to indemnify and hold harmless Landlord, its lenders and mortgagees, from and against all claims, damages, losses, liabilities and expenses, including without limitation reasonable attorney, consulting, engineering, and expert witness fees and other expenses, which may be imposed upon or incurred by Landlord, its lenders and/or mortgagees, whether by a private individual or entity or any governmental entity, arising out of or in connection with: (i) any hazardous substance which at any time during the Term was located in the Premises, or was placed on the Property by Tenant, its employees, agents, contractors or

invitees, or (ii) Tenant's failure to comply with the provisions of Paragraph 29(a). The provisions of this Paragraph 29(c) shall survive the expiration and termination of this Lease.

30. NO BROKERS. Landlord and Tenant each represent and warrant to the other that neither of them has employed or dealt with any broker, agent or finder in connection with this Lease.

31. MISCELLANEOUS. (a) The terms, covenants and conditions of this Lease shall bind and inure to the benefit of Landlord and Tenant and their respective successors, representatives and permitted assigns.

(b) This Lease shall be governed by and construed in accordance with the laws of the State of Tennessee.

(c) Any provision of this Lease which shall prove to be invalid, illegal or unenforceable shall not impair or invalidate any other provisions of this Lease, all of which shall remain in full force and effect. Should any provision be properly determined to be invalid, illegal or unenforceable, it shall automatically be amended to make it valid, legal and enforceable, but keeping it as close to its original meaning as possible.

(d) This Lease contains the entire agreement between the parties. Except as specifically provided otherwise herein, this Lease may be terminated or amended only by a written instrument signed by both Landlord and Tenant.

(e) Time is of the essence of this Lease and each of its provisions in which performance is a factor.

32. EXHIBITS. Attached hereto and comprising a part of this Lease are the following exhibits:

Exhibit "A" - Location of Premises and Building/Premises Plans
Exhibit "B"- Building/Premises Rules and Regulations.

33. FUTURE CONSTRUCTION; OTHER LEASED SPACE ON PROPERTY. It is anticipated that at some time during the Term of this Lease, Landlord will further develop and construct upon the Property another building (in addition to the one in which the Premises will be located) and/or will add on to the building in which the Premises will be located, to create more rentable space (in addition to the space leased by Tenant pursuant to this Lease). After such construction, the Rent under this Lease will continue as provided herein, and Tenant will continue to pay all expenses related to the Premises and its business carried out thereon, but the other amounts that Tenant must pay under this Lease, such as those due under Paragraph 6, shall be equitably adjusted to take into account the new construction and/or new lessees, so that they are equitably apportioned between the parties using the Property. For example, a new lessee will likely be using (with Tenant) the driveways and parking lots on the Property, and expenses relating to such driveways and parking lot (and the maintenance thereof) shall then be equitably split between them (such as on a prorata basis based on the square footage leased). If Tenant

leases additional space on the Property at a later date (i.e., more space than is in the Premises initially), it shall enter into a separate lease for such space, as this Lease will not cover it, unless it is specifically amended by Landlord and Tenant.

Tenant acknowledges that Landlord's future plans for the Property include its development and additional construction thereon (in addition to the construction of the building in which the Premises will be located), and Tenant and Landlord agree to work together in good faith to allow: (a) Landlord to perform such tests and take such actions as needed to prepare for such future construction, and thereafter to carry out such construction; and (b) to carry out its business without significant disruption during such construction.

IN WITNESS WHEREOF, this Lease has been duly executed in duplicate originals by the parties as of the date first above written.

LANDLORD:

PREMIER DEVELOPMENT GROUP, LLC

By: _____

Name: _____

Title: Secretary

TENANT:

PREMIER MEDICAL GROUP, PC

By: _____

Name: Peter A. Silkowski, D.O. FAAFP

Title: President

STATE OF TENNESSEE)

COUNTY OF MONTGOMERY)

Personally appeared before me, the undersigned, a Notary Public in and for said county and state, Giri Korivi, M.D., with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), who acknowledged that he executed the within instrument for the purposes therein contained, and who further acknowledged that he is the President of the maker, Premier Development Group, LLC, and is authorized by the maker to execute this instrument on behalf of the maker.

Witness my hand and office seal, at Clarksville, Tennessee, this 15th day of July, 2014.

Lesa S. Goder
Notary Public

My Commission Expires: 9-16-2015

LESA S. GODER NOTARY PUBLIC AT LARGE MONTGOMERY CO. TENN.

STATE OF TENNESSEE)

COUNTY OF MONTGOMERY)

Personally appeared before me, the undersigned, a Notary Public in and for said county and state, Peter Silkowski, D.O., with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), who acknowledged that he executed the within instrument for the purposes therein contained, and who further acknowledged that he is the President of the maker, Premier Medical Group, P.C., and is authorized by the maker to execute this instrument on behalf of the maker.

Witness my hand and office seal, at Clarksville, Tennessee, this 15th day of July, 2014.

Lesa S. Goder
Notary Public

My Commission Expires: 9-16-2015

LESA S. GODER NOTARY PUBLIC AT LARGE MONTGOMERY CO. TENN.

EXHIBIT "A"

LOCATION OF PREMISES AND BUILDING AND PREMISES PLANS

490 Dunlop Ln
Clarksville, TN 37040

EXHIBIT "C"

RULES AND REGULATIONS

1. No sign, placard, picture, advertisement, name or notice shall be displayed or affixed on or to any part of the outside or inside of the Premises without the prior written consent of Landlord and Landlord shall have the right to remove any sign, placard, picture, advertisement, name or notice which it has not approved without notice to and at the expense of Tenant. All approved signs or lettering on doors shall be printed, painted, affixed or inscribed at the expense of Tenant by a person approved of by Landlord. Tenant shall not place anything or allow anything to be placed near the glass of any window, door, partition or wall which may appear unsightly from outside the Premises. However, at its option, Landlord may furnish and install at any time a Premises-standard window covering at all exterior windows. Tenant shall not cause or otherwise sun screen any window without prior written consent of Landlord.

2. Tenant shall not alter any lock or install any new or additional locks or any bolts on any doors or windows of the Premises without the written consent of Landlord.

3. The toilet rooms, urinals, washbowls and other apparatus shall not be used for any purpose other than that for which they were constructed, and no foreign substance of any kind whatsoever shall be thrown therein, and the expense of any breakage, stoppage or damage resulting from the violation of this rule shall be borne by Tenant, unless it can show that neither it nor its employees, agents, contractors, vendors or invitees, have caused such breakage, stoppage or damage.

4. Tenant shall not overload the floor of the Premises or in any way deface the Premises or any part thereof.

5. No furniture, freight or equipment of any kind shall be brought into the Premises without prior notice to Landlord, and all moving of the same into or out of the Premises shall be done at the time and the manner as Landlord shall reasonably designate. Landlord shall have the right to prescribe the weight, size and position of all safes and other heavy equipment brought into the Premises and also the times and manner of moving the same in and out of the Premises. Safes or other heavy objects, if considered necessary by Landlord, shall stand on support of the thickness as is necessary to properly distribute the weight. Landlord will not be responsible for loss of or damage to any safe or property from any cause, and all damage done to the Premises by moving or maintaining any safe or other property shall be repaired at the expense of Tenant.

6. Tenant shall not use, keep or permit to be used or kept any foul or noxious gas or substance in the Premises, or permit or allow the Premises to be occupied or used in a manner offensive or objectionable to Landlord by reason of noise, odors, and/or vibrations, or interfere in any way with other tenants or those having business therein, nor shall any animals or birds be brought in or kept in or about the Premises.

7. No cooking shall be done or permitted by any Tenant on the Premises, nor shall the Premises be used for the storage of merchandise, for washing clothes, for lodging, or for any improper or immoral purposes.

8. Tenant shall not use or keep in the Premises any kerosene, gasoline or inflammable or combustible fluid or material, or use any method of heating or air conditioning other than that approved by Landlord.

9. Landlord will direct electricians as to where and how telephone and telegraph wires are to be installed. No boring or cutting for wires will be allowed without the consent of Landlord. The location of telephones, call boxes and other office equipment affixed to the Premises shall be subject to the approval of Landlord.

10. Landlord reserves the right to exclude or expel from the Premises any person who, in the judgment of Landlord, is intoxicated or under the influence of liquor or drugs, or who shall in any manner do any act in violation of any of the rules and regulations of the Premises.

GE Capital
Healthcare Financial Services

Internal Contract Ref. # _____
Internal Order Ref. # _____

EQUIPMENT SCHEDULE
DATED AS OF _____
TO MASTER LEASE AGREEMENT
DATED AS OF _____

This Schedule is executed pursuant to, and incorporates by reference the terms and conditions of the Master Lease Agreement identified above (**"Agreement,"** said Agreement and this Schedule being collectively referred to as the **"Lease"**). Except as provided herein, capitalized terms not defined herein shall have the meanings assigned to them in the Agreement. This Schedule constitutes a separate instrument of lease.

1. EQUIPMENT: Subject to the terms and conditions of the Lease, Lessor agrees to lease to Lessee the Equipment described below (the **"Equipment"**)

Number Of Units	Site	Supplier/ Manufacturer	Model, VIN #, Unit # and/or Type Of Equipment

2. TERMS AND RENTALS:

A. Term of Schedule: ___ months. The term of this Schedule will commence on the Lease Commencement Date specified in the "Lease, Term and Rent Payments" section of the Agreement and continue for the term specified immediately above, subject to and in accordance with the terms and conditions of this Schedule. In the event that the Lease Commencement Date does not occur on or prior to _____, Lessor may at anytime thereafter, at its option, by written notice to Lessee, terminate this Schedule, after which termination this Schedule shall be of no further force or effect.

B. Advance Rental: $_____. Lessor will apply the Advance Rental to the Lessee's Monthly Rental under this Schedule for Month __.

C. Monthly Rental: ____ month(s) at $_____. In states assessing upfront sales and use tax, your Monthly Rentals will be adjusted to include the applicable sales and use tax amortized over the Term using a rate that preserves Lessor's economic yield for the transaction described in the Lease. Lessee's payment of Monthly Rentals to Lessor will be in accordance with the "Lease, Term and Rent Payments" section of the Agreement. The Monthly Rental payments reflect the _____ (__) Year Swap Rate of _____% (the **"Initial Swap Rate"**). Lessor reserves the right to adjust such payments on the Lease Commencement Date based on the number of basis points that the Swap Rate has changed from the Initial Swap Rate, or for other changes in market conditions as determined by Lessor in its sole discretion. In the event that any adjustment to the Monthly Rental payments is required to be made pursuant to this paragraph, Lessor may elect that no adjustment be made to the First Monthly Rental (as defined below) due hereunder, but rather that each Monthly Rental payment following the First Monthly Rental be adjusted to reflect the adjustment required to be made pursuant to this paragraph, as well as to reflect that no adjustment will be made to the First Monthly Rental. As used herein, **"First Monthly Rental"** shall mean the first Monthly Rental payment due under this Schedule which is greater than zero ($0) dollars. Interest shall be calculated on the basis of a 360-day year consisting of twelve (12) consecutive thirty (30)-day months for the actual number of days occurring in the period for which interest is payable.

(1) **"Swap Rate"** means the interest rate for swaps that most closely approximates the initial term of this Schedule as published on the date selected by Lessor, which date shall be no earlier than seven (7) business days immediately preceding the Lease Commencement Date, by the Federal Reserve Board in the Federal Reserve Statistical Release H.15 entitled "Selected Interest Rates" currently available online at http://www.federalreserve.gov/releases/h15/update/ or such other nationally recognized reporting source or publication as Lessor may specify.

D. Interim Rent: If the Lease Commencement Date is not the 1st or the 15th of any calendar month (a "Payment Date"), the initial Term shall be extended by the number of days between the Lease Commencement Date and the Payment Date which occurs after the Lease Commencement Date (the "Interim Rent Period"). Lessee shall pay interim rent for the Interim Rent Period. The interim rent will be due on the first payment due date and calculated as the Average Daily Rental Payment times the number of days in the Interim Rent Period. For purposes of this calculation, the "Average Daily Rental Payment" shall equal the aggregate Monthly Rental payments due under the Term of this Schedule divided by the product of the total number of Monthly Rentals times 30.

E. Property Tax: Lessee agrees that it will not list any of the Equipment for property tax purposes or report any property tax assessed against the Equipment until otherwise directed in writing by Lessor. Upon receipt of any property tax bill pertaining to the Equipment from the appropriate taxing authority, Lessor will pay such tax and will invoice Lessee for the expense. Upon receipt of such invoice, Lessee will promptly reimburse Lessor for such expense. Lessee's obligations under this paragraph shall survive any expiration or termination of this Schedule. Nothing in this paragraph shall be deemed to prohibit Lessee from reporting, for informational purposes only and to the extent required under applicable law, that it leases the Equipment.

3. ARTICLE 2A NOTICE: IN ACCORDANCE WITH THE REQUIREMENTS OF ARTICLE 2A OF THE UNIFORM COMMERCIAL CODE AS ADOPTED IN THE APPLICABLE STATE, LESSOR HEREBY MAKES THE FOLLOWING DISCLOSURES TO LESSEE PRIOR TO EXECUTION OF THE LEASE, (A) THE PERSON(S) SUPPLYING THE EQUIPMENT IS REFERENCED IN SECTION 1

ABOVE (THE **"SUPPLIER(S)"**), (B) LESSEE IS ENTITLED TO THE PROMISES AND WARRANTIES, INCLUDING THOSE OF ANY THIRD PARTY, PROVIDED TO THE LESSOR BY THE SUPPLIER, WHICH IS SUPPLYING THE EQUIPMENT IN CONNECTION WITH OR AS PART OF THE CONTRACT BY WHICH LESSOR ACQUIRED THE EQUIPMENT AND (C) WITH RESPECT TO SUCH EQUIPMENT, LESSEE MAY COMMUNICATE WITH SUPPLIER(S) AND RECEIVE AN ACCURATE AND COMPLETE STATEMENT OF SUCH PROMISES AND WARRANTIES, INCLUDING ANY DISCLAIMERS AND LIMITATIONS OF THEM OR OF REMEDIES. TO THE EXTENT PERMITTED BY APPLICABLE LAW, LESSEE HEREBY WAIVES ANY AND ALL RIGHTS AND REMEDIES CONFERRED UPON A LESSEE IN ARTICLE 2A AND ANY RIGHTS NOW OR HEREAFTER CONFERRED BY STATUTE OR OTHERWISE WHICH MAY LIMIT OR MODIFY ANY OF LESSOR'S RIGHTS OR REMEDIES UNDER THE DEFAULT AND REMEDIES SECTION OF THE AGREEMENT.

4. STIPULATED LOSS TABLE: The Stipulated Loss Value for any unit of Equipment shall be the Lessor's capitalized cost of such unit (as referenced in the Stipulated Loss Table to be delivered by Lessor to Lessee) multiplied by the appropriate percentage derived from a Stipulated Loss Table. In the event that the Lease is for any reason extended, then the last percentage figure shown in the Stipulated Loss Table shall control throughout any such extended term.

5. Lessee does further certify that as of the date hereof (i) Lessee is not in default under the Lease; (ii) the representations and warranties made by Lessee pursuant to or under the Lease are true and correct on the date hereof and (iii) Lessee has reviewed and approves of the purchase documents for the Equipment, if any.

6. Any modified or additional terms and conditions of this Schedule are set forth in the following attachments to this Schedule:

7. A manually signed copy of the Agreement, this Schedule and each document executed in connection herewith or therewith (each, a **"Signed Document"**) may be delivered by facsimile or as a PDF file by electronic mail (E-mail) (either such delivery method being referred to herein as **"Electronic Delivery"**). If Lessee transmits any Signed Document by Electronic Delivery, the printed Signed Document as received by Lessor shall be binding on Lessee as if it were manually signed in original; however, no such Signed Document delivered by Electronic Delivery shall be binding against Lessor unless and until manually signed by Lessor. For the purposes of executing any Document, the parties agree that (i) a Signed Document transmitted by Electronic Delivery shall be treated as an original document; (ii) the signature of any party on any such Signed Document shall be considered as an original signature; (iii) such Signed Document shall have the same effect as a counterpart thereof containing original signatures; and (iv) at the request of Lessor, Lessee, who executed such Signed Document and transmitted it by Electronic Delivery, shall provide such original signature to Lessor. No party may raise as a defense to the enforcement of any Signed Document that any signature of a party to such Signed Document was transmitted by Electronic Delivery.

Lessor:

General Electric Capital Corporation

By: _____

Name: _____

Title: Duly Authorized Signatory

Lessee:

_____

By: _____

Name: _____

Title: _____

SAMPLE

GE Capital
Healthcare Financial Services

MASTER LEASE AGREEMENT
DATED AS OF _____

THIS MASTER LEASE AGREEMENT (this "**Agreement**") is between General Electric Capital Corporation (together with its successors and assigns, if any, **"Lessor"**) and the undersigned lessee (**"Lessee"**). Lessor has a mailing address 20225 Watertower Blvd., Brookfield, WI 53045, Attn: Operations Dept. The legal entity type, jurisdiction of organization, mailing address and chief place of business of Lessee is as set forth below under the signature block of Lessee. Additional terms that apply to the Equipment shall be contained on a schedule (**"Schedule"**). Capitalized terms used, but not otherwise defined, herein and which are defined in a Schedule shall have the respective meanings assigned to such terms in such Schedule.

1. LEASE, TERM AND RENT PAYMENTS:

(a) Lessor agrees to lease to Lessee, and Lessee agrees to lease from Lessor, all units of equipment and other property described in the Schedule(s), and all accessories, upgrades, additions, substitutions, replacement parts and tools pertaining thereto (**"Equipment"** and individually a **"unit of Equipment"**) described in any Schedule signed by both parties.

(b) This shall be effective as of the date stated above and, unless sooner terminated by Lessor as hereinafter provided, shall continue until all of Lessee's obligations hereunder or under any Schedule(s) are fulfilled. The term of each Schedule is as specified in such Schedule and commences upon the Lease Commencement Date (defined in subparagraph (c) below). In the event of a conflict between provisions of this Agreement and a Schedule, the provisions of the Schedule shall control.

(c) The rent payable for the Equipment and Lessee's acceptance and right to use the Equipment shall occur on the earlier of (i) five days after the date Lessee is notified that the Equipment has been assembled and is operating in accordance with the manufacturer's published performance specifications, (ii) the date the Equipment is first used or (iii) the date when Lessee has accepted the Equipment under a certificate of acceptance (**"Lease Commencement Date"**).

(d) Lessee shall pay rent to Lessor at its address stated above, except as otherwise directed by Lessor. Rent payments shall be in the amount set forth in the applicable Schedule and are due in advance beginning on the Lease Commencement Date and on the same day of each consecutive month thereafter. If any advance rent or advance charge (as stated in the applicable Schedule) is payable, it shall be due on or before Lessee signs such Schedule and shall be applied in the manner set forth under such Schedule. In no event shall any advance rent or advance charge or any other rent payments be refunded to Lessee. If rent is not paid within ten days of its due date, Lessee agrees to pay a late charge of five cents ($.05) per dollar on, and in addition to, the amount of such rent but not exceeding the lawful maximum, if any. All other payments received by Lessor shall first be applied to any accrued late charge(s) and other monies due Lessor hereunder and then to any unpaid rents.

2. TRANSPORTATION AND RISK OF LOSS: The Equipment will be shipped to the site identified in a Schedule by the supplier or manufacturer of the Equipment identified in the Schedule (**"Supplier"**). Lessee or the Supplier will bear responsibility for transportation and risk of loss of the Equipment at all times. At no time will Lessor bear the risk of loss. The use of the term **"risk of loss"** herein shall include, without limitation, the entire risk of any loss, theft, damage to, or destruction of any unit of Equipment from any cause whatsoever.

3. NET LEASE: This Agreement constitutes a net lease, and Lessee's obligation to pay the rents and other amounts due hereunder (and the continuing effectiveness and enforceability of this Agreement) are absolute, unconditional, non-cancelable and independent obligations not subject to abatement, diminution, suspension, deferment or reduction of, or offset against, Lessee's obligations hereunder for any reason including without limitation: (i) any claims of Lessee against the Supplier of the Equipment; (ii) any defect in, damage to, or loss of destruction of any unit of Equipment however arising; or (iii) any interference with Lessee's use of any unit of Equipment by any third party (including any governmental body). It is the express intention of the parties hereto that all rents and other amounts payable by Lessee to Lessor hereunder shall continue to be promptly and unconditionally paid in all events.

4. RENT ADJUSTMENT:

(a) If, solely as a result of Congressional enactment of any law (including, without limitation, any modification of, or amendment or addition to, the Internal Revenue Code of 1986, as amended, **"Code"**), the maximum effective corporate income tax rate (exclusive of any minimum tax rate) for calendar-year taxpayers (**"Effective Rate"**) is higher than 35% for any year during the lease term, then Lessor shall have the right to increase such rent payments by, at Lessor's option, (i) requiring payment of a single additional sum, or (ii) increasing the amount of the rent for the remaining term. The additional sum shall be equal to the product of (i) the Effective Rate (expressed as a decimal) for such year less .35 (or, in the event that any adjustment has been made hereunder for any previous year, the Effective Rate (expressed as a decimal) used in calculating the next previous adjustment) times (ii) the present value of the aggregate rents remaining under a Schedule discounted at 6%, divided by (iii) the difference between the new Effective Rate (expressed as a decimal) and one (1). If Lessor chooses the first option, Lessee shall pay to Lessor the full amount of the additional rent payment on the later of (i) receipt of notice or (ii) the first day of the year for which such adjustment is being made. If Lessor chooses the second option, the rental payments for each month subsequent to when Lessor provided Lessee notice of such rent shall be increased accordingly.

(b) Lessee's obligations under this Section 4 shall survive any expiration or termination of this Agreement.

(c) Until the Lease Commencement Date, Lessor shall have the right to adjust the rent as set forth in the Schedule(s). In addition, Lessee acknowledges that Lessor may adjust the rent, up or down, by no more than 10% within each Schedule to account for Equipment change orders, Equipment returns, invoicing errors, and similar matters. Lessor shall send Lessee a written notice stating the final rent, if it has changed.

5. TAXES: If permitted by law, and unless otherwise provided in any Schedule, Lessee shall report and pay promptly all taxes, fees and assessments due, imposed, assessed or levied against any Equipment (or purchase, ownership, delivery, leasing, possession, use or operation thereof), this Agreement (or any rents or receipts hereunder), any Schedule, Lessor or Lessee by any governmental entity or taxing authority during or related to the term of this Agreement, or to any other period during which the Lessee had use or possession of the Equipment, including, without limitation, all license and registration fees, and all sales, use, personal property, excise, gross receipts, franchise, stamp or other taxes, imposts, duties and charges, together with any penalties, fines or interest thereon (collectively **"Taxes"**). Lessee shall have no liability for Taxes imposed by the United States of America or any state or political subdivision thereof which are on or measured by the net income of Lessor except as provided in Sections 4 and 20. Lessee shall promptly reimburse Lessor (on an after tax basis) for any Taxes charged to, assessed against or paid by Lessor. Lessee shall show Lessor as the owner of the Equipment on all tax reports or returns, and send Lessor a copy of each report or return and evidence of Lessee's payment of Taxes upon request by Lessor. Lessee's obligations under this Section 5 shall survive any expiration or termination of this Agreement.

6. REPORTS:

(a) If any tax, charge or other lien shall attach to any Equipment, Lessee will notify Lessor in writing, within ten days after Lessee becomes aware of the tax, charge or lien. The notice shall include the full particulars of the tax, charge or lien and the location of such Equipment on the date of the notice.

(b) Lessee will deliver to Lessor, Lessee's complete financial statements, certified by a recognized firm of certified public accountants within 90 days of the close of each fiscal year of Lessee. Lessee will deliver to Lessor copies of Lessee's quarterly financial report certified by the chief financial officer of Lessee, within 30 days of the close of each fiscal quarter of Lessee. Lessee will deliver to Lessor all Forms 10-K and 10-Q, if any, filed with the Securities and Exchange Commission within 30 days after the date on which they are filed. Upon the written request of Lessor, Lessee will deliver to Lessor any additional information reasonably requested by Lessor, including but not limited to accounts receivable agings, activity reports and budget comparison reports.

(c) Lessor may inspect any Equipment during normal business hours after giving Lessee reasonable prior notice (except as otherwise provided in Section 10).

(d) If any Equipment is lost or damaged (where the estimated repair costs would exceed the greater of ten percent (10%) of the original Equipment cost or ten thousand dollars ($10,000)), or is otherwise involved in an accident causing personal injury or property damage, Lessee will promptly and fully report the event to Lessor in writing.

(e) Lessee will not change its state of incorporation or organization or its name as it appears in official filings in the state of its incorporation or organization without giving Lessor at least 10 days' prior written notice.

7. USE, OPERATION AND MAINTENANCE:

(a) Except as otherwise agreed to by Lessor, all Equipment shall be shipped directly to Lessee.

(b) Lessee agrees that the Equipment will be used by Lessee solely in the conduct of its business and in a manner complying with all applicable laws, regulations and insurance policies.

(c) Lessee will not move any Equipment from the location specified on the applicable Schedule, without the prior written consent of Lessor.

(d) Lessee will keep the Equipment free and clear of all liens, claims and encumbrances other than those which result from acts of Lessor.

(e) Lessor shall not disturb Lessee's quiet enjoyment of the Equipment during the term of the Agreement unless a default has occurred and is continuing under this Agreement.

(f) Lessee's use of the Equipment shall be subject to the Supplier's terms and conditions of sale, including, but not limited to any requirements regarding site preparation. Lessee further acknowledges that in the event the Equipment contains embedded software, such software is subject to the proprietary rights of the owner thereof and Lessee's use of such software will be subject to the terms of any related software licenses.

(g) Lessee will, at its sole expense, maintain each unit of Equipment in good operating order and repair, normal wear and tear excepted and also maintain the Equipment in accordance with Supplier's recommendations. Lessee shall make all alterations or modifications required to comply with any applicable law, rule or regulation during the term of this Agreement. If Lessor requests, Lessee shall affix plates, tags or other identifying labels showing ownership thereof by Lessor. If and to the extent it becomes necessary to service, repair or replace any parts, components or accessories of or to the Equipment (**"Parts"**), any such repair or replacement shall be made only with original Equipment manufacturer's (**"OEM"**) Parts, and if any OEM Part is not available, with a Part manufactured and/or distributed by a manufacturer and/or supplier approved by Lessor. All services and/or repairs performed on or with respect to the Equipment shall be performed by the OEM, or if the OEM has notified Lessee in writing that it is unable or unwilling to perform such services, such services shall be performed by a service provider approved by Lessor.

(h) Lessee will not attach or install anything on any Equipment that will impair the originally intended function or use of such Equipment without the prior written consent of Lessor. All additions, parts, supplies, accessories, and equipment (**"Additions"**) furnished or attached to any Equipment that are not readily removable shall become the property of Lessor. All Additions shall be made only in compliance with applicable law.

8. INSURANCE: Lessee agrees at its own expense, to keep the Equipment insured with companies acceptable to Lessor for such amounts and against such hazards as Lessor may require, including, but not limited to, all risk physical damage insurance for the Equipment itself, with losses under the policies payable to Lessor or its assigns, if any, and liability coverage for personal injuries, death and/or property damages on terms satisfactory to Lessor. Lessor and/or its officers, agents, employees and/or successors and/or assigns shall be named as an additional insured under all such insurance policies with loss payable clauses under said policies payable in Lessor's favor, as Lessor's interest may appear. Said Equipment shall be insured for not less than its Stipulated Loss Value (see Schedule) or such other amount as Lessor shall specify. Said liability insurance shall be in an amount of not less than two million dollars ($2,000,000.00) or such other amount as Lessor shall specify. Lessee hereby appoints Lessor as its attorney-in-fact to make proof of loss and claims for insurance and to make adjustments with insurers and to receive payment of and execute or endorse all documents, checks or drafts in connection with payments made with respect to such insurance policies. Lessee may not make adjustments with insurers except with Lessor's prior written consent. The policies will provide that the insurance may not be altered or canceled by the insurer until after thirty days written notice to Lessor. In the event of damage to or loss, secretion, destruction or theft of the Equipment, or any portion of the Equipment, whether in whole or in part, Lessee will pay to Lessor the Stipulated Loss Value of all Equipment, or of the portion of the Equipment affected if the value and use of the remainder of the Equipment are not affected at the time of such occurrence (except to the extent that Lessor indefeasibly receives proceeds of insurance covering such Equipment). Lessor may, at Lessor's option, apply proceeds of insurance, in whole or in part, (i) to repair or comparably replace the Equipment or any portion of it or, (ii) to satisfy any of Lessee's obligations pursuant to this Agreement or a Schedule. Upon the request of Lessor, Lessee shall deliver to Lessor evidence reasonably satisfactory to Lessor that Lessee is in compliance with all insurance requirements set forth in this Section 8, which evidence so requested may include insurance certificates from each relevant insurer.

9. STIPULATED LOSS VALUE: If for any reason (including, without limitation, in connection with the return of such Equipment pursuant to Section 14 hereof) any unit of Equipment becomes worn out, lost, stolen, destroyed, irreparably damaged or unusable (**"Casualty Occurrences"**) Lessee shall promptly and fully notify Lessor in writing. Lessee shall pay Lessor on the Casualty Payment Date (defined below), the sum of (i) the Stipulated Loss Value (see Schedule(s)) of the affected unit determined as of the rent payment date prior to the Casualty Occurrence; and (ii) all rent and other amounts which are then currently outstanding and due under this Agreement for the affected unit. The **"Casualty Payment Date"** shall be the next rent payment date after the Casualty Occurrence. Upon Payment of all sums due hereunder, the term of this Agreement as to such unit of Equipment shall terminate.

10. DEFAULT AND REMEDIES:

(a) Lessor may declare this Agreement in default if: (i) Lessee breaches its obligation to pay rent or any other sum owing to Lessor (under this Agreement or otherwise) when due and fails to cure the breach within ten days; (ii) Lessee breaches any of its insurance obligations under Section 8 above; (iii) Lessee assigns any of its interests in this Agreement or in the Equipment without Lessor's prior written consent; (iv) Lessee breaches any of its other obligations under this Agreement and fails to cure that breach within 30 days after written notice from Lessor; (v) any representation or warranty made by Lessee in connection with this Agreement shall be incorrect, false or misleading in any material respect; (vi) Lessee or any guarantor or other obligor for the Lessee's obligations hereunder (**"Guarantor"**) becomes insolvent or ceases to do business as a going concern (vii) if Lessee or any Guarantor is a natural person, any death or incompetency of Lessee or such Guarantor; (viii) a petition is filed by or against Lessee or any Guarantor under any bankruptcy or insolvency laws (in which event it shall be an immediate event of default) and in the event of an involuntary petition, the petition is not dismissed within 45 days of the filing date; or (ix) any material adverse change occurs in Lessee's financial condition or business operations (or of any Guarantor) or any material change occurs in the ownership of Lessee (or of any Guarantor). Lessee's default under a Schedule or a default by Lessee, any principal of Lessee or any entity managed or controlled by Lessee or any principal of Lessee under any other agreement or contract with Lessor, will at Lessor's sole option, constitute a default of this Agreement and all Schedules entered into pursuant to this Agreement.

(b) Upon the occurrence of an event of default hereunder, Lessor shall have the non-exclusive option to: (i) declare the aggregate rents or the Stipulated Loss Value (see Schedule) payable under any or all of the Schedules immediately due and payable; (ii) declare all other amount(s) due Lessor hereunder immediately due and payable; (iii) terminate this Agreement as to any or all of the Equipment; (iv) collect from Lessee, on all monies due but unpaid for more than ten days, a late charge of five cents per dollar on, and in addition to, the amount of all such monies, but not exceeding the lawful maximum; (v) take possession of the Equipment and remove same from its existing location(s) without notice to or consent of Lessee; and store and/or dispose (by public sale or otherwise) of the Equipment at its then existing location(s) at no charge to Lessor; (vi) sell or lease any or all items of Equipment at public or private sale or lease at such time or times as Lessor may determine and if notice thereof is required by law, any notice in writing of any such sale or lease by Lessor to Lessee not less than ten days prior to the date thereof shall constitute reasonable notice thereof to Lessee; (vii) otherwise dispose of, hold, use, operate, or keep idle such Equipment, all as Lessor, in its sole discretion, may determine; and (viii) assert any other remedies available to Lessor at law or in equity (including, without limitation, under the Uniform Commercial Code).

(c) After deducting all expenses of retaking, repairing, holding, transporting, selling and/or reletting the Equipment, the net proceeds (if any) from such sale or reletting by Lessor shall be applied against Lessee's obligation hereunder. The proceeds of any sale, re-lease, or other disposition (if any) shall be applied in the following priorities: (i) first, to pay all Lessor's costs, charges and expenses in taking, removing, holding, repairing, selling, re-leasing and disposing of the Equipment; (ii) second, to the extent not previously paid by Lessee or by a Guarantor of Lessee's obligations hereunder to pay Lessor all amounts due from Lessee hereunder; and (iii) lastly, any surplus shall be retained by Lessor. Lessor shall have the right to seek a deficiency from Lessee notwithstanding Lessor's repossession or abandonment of the Equipment, or Lessor's sale or reletting the Equipment to a third party.

(d) The foregoing remedies are cumulative and nonexclusive of any other rights and remedies that Lessor may have under any other agreement or at law or in equity and may be exercised individually or concurrently, and any or all thereof may be exercised instead of or in addition to each other or any remedies at law, in equity, or under statute. Lessee waives notice of sale or other disposition (and the time and place thereof), and the manner and place of any advertising. Lessee shall pay Lessor's actual attorneys' fees, agency fees, collection costs and expenses and any other costs and expenses incurred in connection with the enforcement, assertion, defense or preservation of Lessor's rights and remedies under this Agreement, or if prohibited by law, such lesser sum as may be permitted. Waiver of any default shall not be a waiver of any other or subsequent default.

11. INDEMNIFICATION: Lessee hereby agrees to indemnify Lessor, its agents, employees, successors and assigns (on an after tax basis) from and against any and all losses, damages, penalties, injuries, claims, actions and suits, including legal expenses, of whatsoever kind and nature arising out of or relating to the Equipment or this Agreement (**"Claims"**). This indemnity shall include, but is not limited to, Lessor's strict liability in tort and Claims, arising out of (i) the selection, manufacture, purchase, acceptance or rejection of Equipment, the ownership of Equipment during the term of this Agreement, and the delivery, lease, possession, maintenance, uses, condition, return or operation of Equipment (including, without limitation, latent and other defects, whether or not discoverable by Lessor or Lessee and any claim for patent, trademark or copyright infringement or environmental damage) or (ii) the condition of Equipment sold or disposed of after use by Lessee, any sublessee or employees of Lessee. Lessee shall, upon request, defend any actions based on, or arising out of, any of the foregoing. All of Lessor's rights, privileges and indemnities contained in this Section 11 shall survive the expiration or other termination of this Agreement. The rights, privileges and indemnities contained herein are expressly made for the benefit of, and shall be enforceable by Lessor, its successors and assigns.

12. DISCLAIMER: LESSEE ACKNOWLEDGES THAT IT HAS SELECTED THE EQUIPMENT WITHOUT ANY ASSISTANCE FROM LESSOR, ITS AGENTS OR EMPLOYEES. LESSOR DOES NOT MAKE, HAS NOT MADE, NOR SHALL BE DEEMED TO MAKE OR HAVE MADE, ANY WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, WRITTEN OR ORAL, WITH RESPECT TO THE EQUIPMENT LEASED UNDER THIS AGREEMENT OR ANY COMPONENT THEREOF, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY AS TO DESIGN, COMPLIANCE WITH SPECIFICATIONS, QUALITY OF MATERIALS OR WORKMANSHIP, MERCHANTABILITY, FITNESS FOR ANY PURPOSE, USE OR OPERATION, SAFETY, PATENT, TRADEMARK OR COPYRIGHT INFRINGEMENT, OR TITLE. ALL SUCH RISKS, AS BETWEEN LESSOR AND LESSEE, ARE TO BE BORNE BY LESSEE. LESSEE FURTHER AGREES THAT LESSOR AND ITS REPRESENTATIVES HAVE NO LIABILITY TO LESSEE FOR (I) ANY PENAL, PUNITIVE, SPECIAL, INCIDENTAL, OR CONSEQUENTIAL DAMAGES SUCH AS LOST PROFIT OR REVENUE, (II) ANY ASSISTANCE NOT REQUIRED UNDER THE SCHEDULE, OR (III) ANYTHING OCCURRING AFTER THE END OF A SCHEDULE. THIS IS A COMMERCIAL LEASE TRANSACTION. ANY CLAIM RELATED TO THIS CONTRACT WILL BE COVERED SOLELY BY COMMERCIAL LEGAL PRINCIPLES. LESSOR, ITS REPRESENTATIVES AND ASSIGNS WILL NOT HAVE ANY NEGLIGENCE OR OTHER TORT LIABILITY TO LESSEE OR ANY PERSON OR ENTITY, ARISING FROM THIS AGREEMENT AND ANY OTHER DOCUMENT OR ANY USE OF ANY EQUIPMENT.

13. REPRESENTATIONS, WARRANTIES AND COVENANTS OF LESSEE: Lessee makes each of the following representations, warranties, and covenants to Lessor on the date hereof and on the date of execution of each Schedule.

(a) Lessee has full power and capacity to enter into, and perform under, this Agreement, the Schedules and all related documents (together, the **"Documents"**). Lessee is duly qualified to do business wherever necessary to carry on its present business and operations, including the jurisdiction(s) where the Equipment is or is to be located.

(b) The Documents have been duly authorized, executed and delivered by Lessee and constitute valid, legal and binding agreements, enforceable in accordance with their terms, except to the extent that the enforcement of remedies may be limited under applicable bankruptcy and insolvency laws.

(c) No approval, consent or withholding of objections is required from any governmental authority or any person or entity with respect to the entry into or performance by Lessee of the Documents except such as have already been obtained.

(d) The entry into and performance by Lessee of the Documents will not: (i) violate any judgment, order, law or regulation applicable to Lessee or any provision of Lessee's organizational documents; or (ii) result in any breach of, constitute a default under or result in the creation of any lien, charge, security interest or other encumbrance upon any Equipment pursuant to any indenture, mortgage, deed of trust, bank loan or credit agreement or other instrument (other than this Agreement) to which Lessee is a party.

(e) There are no suits or proceedings pending or threatened in court or before any commission, board or other administrative agency against or affecting Lessee, which if decided against Lessee will have a material adverse effect on its business or operations or its ability to fulfill its obligations under this Agreement.

(f) The Equipment is and will remain tangible personal property.

(g) Each financial statement delivered to Lessor has been prepared in accordance with generally accepted accounting principles consistently applied. Since the date of the most recent financial statement, there has been no material adverse change in the financial condition of Lessee.

(h) Lessee's exact legal name is as set forth in the last page of this Agreement and Lessee is and will be at all times validly existing and in good standing under the laws of the State of its formation (specified in the first sentence of this Agreement).

(i) The Equipment will at all times be used for commercial or business purposes.

14. END-OF-TERM OPTIONS: At least 180 days prior to the expiration of the original term of a Schedule or any subsequent term, Lessee must elect, by written notice to Lessor sent via certified mail to 20225 Watertower Blvd., Suite 300, Brookfield, WI 53045, Attn: VP Asset Management, one of the following end-of-term options: (i) Lessee's renewal of that Schedule for a one or two year term at a Monthly Rental determined at the time of renewal (based on the Equipment's then fair market value), (ii) Lessee's purchase of all (but not less than all) of the Equipment as set forth in Section 15 below; or (iii) Lessee's return of all (but not less than all) of the Equipment to Lessor. Should Lessee fail to comply with the provisions described above covering written notice, upon expiration of the Term, the Term of the Schedule shall be automatically extended for a term of three months at the highest Monthly Rental amount. Thereafter, the Term of the Schedule will be extended for subsequent full month periods, on a month-to-month basis, until Lessee has given at least 90 days written notice terminating the Schedule.

15. PURCHASE OPTION:

(a) Lessee may at lease expiration purchase all (but not less than all) of the Equipment in any Schedule on an AS IS, WHERE IS BASIS for cash equal to its then Fair Market Value (plus all rent and other sums due hereunder on or prior to the purchase date, to the extent not previously paid, plus all taxes and charges due in connection with such sale and all other expenses incurred by Lessor in connection with such sale). Lessee must notify Lessor of its intent to purchase the Equipment in writing at least 180 days in advance. If Lessee is in default or if the corresponding Schedule has already been terminated Lessee may not purchase the Equipment.

(b) **"Fair Market Value"** shall mean the price that a willing buyer would pay for the Equipment in an arm's-length transaction to a willing seller under no compulsion to sell. In determining the Fair Market Value the Equipment shall be assumed to be in the condition in which it is required to be maintained and returned under this Agreement. The Equipment shall be valued on a fully assembled, installed and operational basis. If Lessor and Lessee are unable to agree on the Fair Market Value, Lessor shall appoint, at least 135 days before lease expiration, an independent appraiser (reasonably acceptable to Lessee) to determine Fair Market Value. The independent appraiser's determination shall be final, binding and conclusive. Lessee shall bear all costs associated with any such appraisal. (c) Lessee shall be deemed to have waived this option unless it provides Lessor with written notice of its irrevocable election to exercise the same within 15 days after Fair Market Value is told to Lessee.

16. REMOVAL AND RETURN OF EQUIPMENT:

(a) At the expiration or earlier termination of a Schedule, Lessee will arrange for the removal and return of the Equipment at its expense, including all transportation to a business address designated by Lessor within the Continental United States of America. If Lessor has not designated a business address as contemplated in the immediately preceding sentence on or prior to the expiration or earlier termination of a Schedule, Lessee shall request Lessor to so designate a business address, which request shall be in writing and delivered to Lessor in the manner provided in Section 23(b). The Equipment shall be de-installed, crated and transported by the original Equipment manufacturer (the "**OEM**"), or if the OEM has notified Lessee in writing that it is unable or unwilling to perform such services, such services shall be performed by a provider approved by Lessor. If Lessor so requires, the Equipment shall, at Lessee's sole cost and expense, be inspected by the OEM, the Supplier or such other person approved by Lessor, and Lessee shall obtain from the OEM, Supplier or such other person, as applicable, and make available to Lessor, a comprehensive inspections report, certifying that the Equipment is operable in accordance with the then prevailing performance specifications for it. If Lessee makes modifications to its premises after the Equipment has been installed which impede the removal of the Equipment, the cost of removing the impediments and restoring the premises will be at Lessee's expense. The Equipment will be returned to Lessor or its assigns on the expiration or earlier termination of a Schedule in the same condition and appearance as when received by Lessee (reasonable wear and tear excepted) and in good working order and condition, operable in accordance with the Supplier's then prevailing performance specifications for it. All waste material and fluid must be removed from the Equipment and disposed of by Lessee in accordance with the then current waste disposal laws. If the Equipment is not so returned, Lessor, at Lessee's sole expense, may have the Equipment restored to such a condition.

(b) If Lessor so requires, at Lessor's sole discretion, Lessee shall obtain a policy of transit insurance for the return of the Equipment to Lessor in an amount equal to the replacement value of the Equipment. Such transit insurance must name Lessor as the loss payee. Lessee shall pay for all costs of complying with this section.

(c) Lessee shall provide to Lessor a detailed inventory of all components of the Equipment including model and serial numbers. Lessee shall also provide an up to date copy of all other documentation pertaining to the Equipment.

(d) All service manuals, blueprints, process flow diagrams, operating manuals, inventory, maintenance records and clinical images (for diagnostic imaging equipment only) not older than 30 days with patient data erased, shall be given to Lessor at least 90 days, and not more than 120 days, prior to the Agreement termination.

(e) Lessee shall, at its sole cost and expense, make the Equipment available for Lessor's on-site operational inspection by potential purchasers at least 120 days prior to and continuing up to Agreement termination. Lessor shall provide Lessee with reasonable notice prior to any inspection. Lessee shall provide personnel, power and other requirements necessary to demonstrate electrical, hydraulic and mechanical systems for each item of Equipment.

(f) All of Lessee's duties and obligations, and all of Lessor's rights, under this Section 16 shall survive the expiration or other termination of this Agreement and each Schedule.

17. ASSIGNMENT: LESSEE SHALL NOT SELL, TRANSFER, ASSIGN, ENCUMBER OR SUBLET ANY EQUIPMENT OR THE INTEREST OF LESSEE IN THE EQUIPMENT OR THE RIGHTS OR OBLIGATIONS OF LESSEE UNDER THIS AGREEMENT WITHOUT THE PRIOR WRITTEN CONSENT OF LESSOR. Lessor may, without the consent of Lessee, assign this Agreement, any Schedule or the right to enter into a Schedule, provided that any such assignment shall not relieve Lessor of its obligations hereunder. Lessee agrees that if Lessee receives written notice of an assignment from Lessor, Lessee will pay all rent and all other amounts payable under any assigned Schedule to such assignee or as instructed by Lessor. Lessee also agrees to confirm in writing receipt of the notice of assignment as may be reasonably requested by Lessor or assignee. Lessee hereby waives and agrees not to assert against any such assignee any defense, set-off, recoupment claim or counterclaim which Lessee has or may at any time have against Lessor for any reason whatsoever.

18. NO THIRD PARTY BENEFICIARIES: This Agreement is solely for the benefit of Lessee and Lessor and no person or legal entity is, or shall be considered, an intended third party beneficiary hereof, and no person other than Lessee and Lessor shall have an enforceable right to any benefits under this Agreement.

19. PROTECTED HEALTH INFORMATION. Lessee shall not disclose, and shall prevent the Disclosure of, any Protected Health Information to Lessor, any agent or affiliate of Lessor, or to any third party who at any time takes possession of the Equipment for any reason. LESSEE IS SOLELY RESPONSIBLE FOR REMOVING, OR RENDERING INDECIPHERABLE IN ACCORDANCE WITH PREVAILING INDUSTRY STANDARDS, ALL PROTECTED HEALTH INFORMATION STORED ON OR OTHERWISE ACCESSIBLE FROM THE EQUIPMENT BEFORE THE EQUIPMENT LEAVES POSSESSION OF LESSEE, whether the change in possession is prompted by a default hereunder, termination of this Agreement or any Schedule, or for any other reason. "Disclosure" and "Protected Health Information" shall have the meaning for each term set forth in 45 C.F.R. § 160.103, as those definitions may be amended from time to time.

20. TAX BENEFIT INDEMNIFICATION: Lessor and Lessee agree that should either the United States government or any state or local tax authority disallow, eliminate, reduce, recapture, or disqualify, in whole or in part, the tax benefits claimed under a Schedule by Lessor, Lessee will then indemnify Lessor by payment, at its choice, of either: (i) supplemental rent to Lessor during the remaining period of the term of such Schedule in an amount necessary to permit Lessor to receive (on an after tax basis over the full term of such Schedule) the same rate of return that Lessor would have realized had there not been a loss or disallowance of such benefits, together with any interest or penalties which might be assessed by the governmental authority(ies) with respect to such loss or disallowance, or (ii) a lump sum, payable on demand, to Lessor which will be equal to the amount necessary to permit Lessor to receive (on an after-tax basis over the full term of that Schedule) the same rate of return that Lessor would have realized had there not been a loss or disallowance of such benefits, together with the amount of any interest or penalties which might be assessed by the governmental authority(ies) with respect to such loss or disallowance. All references to Lessor in this Section include Lessor and the consolidated taxpayer group of which Lessor is a member. All of Lessor's rights, privileges and indemnities contained in this Section shall survive the expiration or other termination of this Agreement. The rights, privileges and indemnities contained herein are expressly made for the benefit of, and shall be enforceable by Lessor, its successors and assigns.

21. COMPLIANCE WITH REPORTING RESPONSIBILITIES: Lessee agrees to fully and accurately account for, and report in any applicable cost reports, all items and services received from Lessor under this Agreement and all Schedules, in a way which complies with all applicable laws and regulations, including the Federal Social Security Act and implementing regulations relating to Medicare, Medicaid and the Federal Health Care Programs.

22. FILING: Lessee will sign and return to Lessor when requested such instrument(s) as applicable law requires or permits to give public

notice of Lessor's interest in the Equipment. In addition, Lessee hereby authorizes Lessor to file a precautionary financing statement and amendments thereto describing the Equipment described in any and all Schedules now and hereafter executed pursuant hereto and adding any collateral described therein and containing any other information required by the applicable Uniform Commercial Code. If and to the extent that this Agreement or a Schedule is deemed a security agreement, Lessee hereby gives, grants and assigns to Lessor, its successors and assigns, a security interest in all of Lessee's rights under and interest in the Equipment, the general intangibles related thereto, the accounts created thereby and all proceeds of the foregoing. Such security interest shall secure Lessee's obligations with respect to all Schedules and agreements between Lessee and Lessor. Lessee hereby irrevocably appoints Lessor or its designee as Lessee's agent and attorney-in-fact to sign such instrument(s) on Lessee's behalf and to file them.

23. MISCELLANEOUS:

(a) LESSEE AND LESSOR UNCONDITIONALLY WAIVE THEIR RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS AGREEMENT, ANY OF THE DOCUMENTS, ANY DEALINGS BETWEEN LESSEE AND LESSOR RELATING TO THE SUBJECT MATTER OF THIS TRANSACTION OR ANY RELATED TRANSACTIONS, AND/OR THE RELATIONSHIP THAT IS BEING ESTABLISHED BETWEEN LESSEE AND LESSOR. THE SCOPE OF THIS WAIVER IS INTENDED TO BE ALL ENCOMPASSING OF ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT. THIS WAIVER IS IRREVOCABLE. THIS WAIVER MAY NOT BE MODIFIED EITHER ORALLY OR IN WRITING. THE WAIVER ALSO SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, ADDENDA OR MODIFICATIONS TO THIS AGREEMENT, ANY RELATED DOCUMENTS, OR TO ANY OTHER DOCUMENTS OR AGREEMENTS RELATING TO THIS TRANSACTION OR ANY RELATED TRANSACTION. THIS AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT.

(b) Time is of the essence of this Agreement. Lessor's failure at any time to require strict performance by Lessee of any of the provisions hereof shall not waive or diminish Lessor's right at any other time to demand strict compliance with this Agreement. If more than one Lessee is named in this Agreement, the liability of each shall be joint and several. All notices required to be given hereunder shall be deemed adequately given if sent by registered or certified mail to the addressee at its address stated herein, or at such other place as such addressee may have specified in writing by notice as prescribed in this Agreement. This Agreement and any addendum, schedule and annexes hereto constitute the entire agreement of the parties with respect to the subject matter hereof. No prior proposals, statements, course of dealing, or usage of trade will be a part of this Agreement. NO VARIATION OR MODIFICATION OF THIS AGREEMENT OR ANY WAIVER OF ANY OF ITS PROVISIONS OR CONDITIONS, SHALL BE VALID UNLESS IN WRITING AND SIGNED BY AN AUTHORIZED REPRESENTATIVE OF EACH OF THE PARTIES HERETO.

(c) If Lessee does not comply with any provision of this Agreement, Lessor shall have the right, but shall not be obligated, to effect such compliance, in whole or in part. All reasonable amounts spent and obligations incurred or assumed by Lessor in effecting such compliance shall constitute additional rent due to Lessor. Lessee shall pay the additional rent within five days after the date Lessor sends notice to Lessee requesting payment. Lessor's effecting such compliance shall not be a waiver of Lessee's default.

(d) Any provisions in this Agreement, any Schedule, addendum or amendment hereto that are in conflict with any statute, law or applicable rule shall be deemed omitted, modified or altered to conform thereto, but the remaining provisions shall remain enforceable as written.

(e) This Agreement and the rights and obligations of the parties hereunder shall in all respects be governed by, and construed in accordance with, the internal laws of the State of Wisconsin (without regard to the conflict of laws principles of such State), including all matters of construction, validity and performance, regardless of the location of the Equipment.

(f) Any cancellation or termination by Lessor, pursuant to the provisions of this Agreement, any Schedule, addendum or amendment hereto, of the lease of any Equipment hereunder, shall not release Lessee from any then outstanding obligations to Lessor hereunder.

(g) Lessee agrees that neither it nor its affiliates will in the future issue any press release or other public disclosure using the name of General Electric Capital Corporation or any of its affiliates or referring to this Agreement without at least two (2) business days' prior notice to Lessor and without the prior written consent of Lessor unless (and only to the extent that) Lessee or its affiliate is required to do so under law and then, in any event, such Lessee or affiliate will consult with Lessor before issuing such press release or other public disclosure. Lessee consents to the publication by Lessor of a tombstone or similar advertising material relating to the transactions contemplated by this Agreement.

(h) There is no restriction either express or implied on any disclosure or dissemination of the structure or tax aspects of the transactions contemplated by this Agreement. Further, Lessor acknowledges that it has no proprietary rights to any tax matter or tax idea or to any element of the transaction structure.

(i) A manually signed copy of each Document (as defined in Section 13(a) hereof) (a "**Signed Document**") may be delivered by facsimile or as a PDF file by electronic mail (E-mail) (either such delivery method being referred to herein as "**Electronic Delivery**"). If Lessee transmits any Signed Document by Electronic Delivery, the printed Signed Document as received by Lessor shall be binding on Lessee as if it were manually signed in original; however, no such Signed Document delivered by Electronic Delivery shall be binding against Lessor unless and until manually signed by Lessor. For the purposes of executing any Document, the parties agree that (i) a Signed Document transmitted by Electronic Delivery shall be treated as an original document; (ii) the signature of any party on any such Signed Document shall be considered as an original signature; (iii) such Signed Document shall have the same effect as a counterpart thereof containing original signatures; and (iv) at the request of Lessor, Lessee, who executed such Signed Document and transmitted it by Electronic Delivery, shall provide such original signature to Lessor. No party may raise as a defense to the enforcement of any Signed Document that any signature of a party to such Signed Document was transmitted by Electronic Delivery.

(j) The parties agree that this Agreement and each Schedule constitutes a "Finance Lease" under Uniform Commercial Code Section 2A-103 (g). It is the intent of the parties that this Agreement will be a true lease and not a "conditional sale", and that Lessor shall at all times be considered to be the owner of the Equipment for the purposes of all Federal, state, city and local income taxes, and that this Agreement conveys to Lessee no right, title or interest in any of the Equipment except as lessee. Accordingly, Lessee agrees (i) to treat Lessor as the owner of the Equipment, (ii) not to take any actions or positions inconsistent with such treatment on or with respect to any income tax return, and (iii) not to claim any tax benefits available to an owner of the Equipment on or with respect to any income tax return.

(k) LESSEE ACKNOWLEDGES AND CONFIRMS THAT IT HAS NOT RECEIVED ANY TAX, FINANCIAL OR ACCOUNTING ADVICE FROM LESSOR OR SUPPLIER.

(l) Lessor may receive compensation and/or discounts ("**Discounts**") from the Supplier or manufacturer of the Equipment in order to enable Lessor to reduce the cost of Lessee's lease below what Lessor otherwise would charge. If Lessor received any Discounts, such Discounts are reflected in the Monthly Rental payments. Any such Discounts provided are intended to comply with the federal Anti-Kickback Statute, 42 U.S.C. § 1320a-7b(b). To the extent required by 42 C.F.R. § 1001.952(h) (the Anti-Kickback Statute discount safe harbor regulations) or other applicable laws and regulations, Lessee must fully and accurately reflect in cost reports or other submissions to federal healthcare programs all Discounts provided hereunder and, upon request by the Secretary of the U.S. Department of Health and Human Services or a state agency, must make available information provided to Lessee concerning the Discounts.

IN WITNESS WHEREOF, Lessee and Lessor have caused this Agreement to be executed by their duly authorized representatives as of the date first above written.

Lessor:

General Electric Capital Corporation

By: _____

Name: _____

Title: Duly Authorized Signatory

Lessee:

_____

By: _____

Name: _____

Title: _____

Legal Entity Type: _____
Jurisdiction of Organization: _____
Mailing Address and Chief Place of Business:
_____
_____

SAMPLE

Premier Medical Group, PC
CON #CN9909-082A
Historical Data Chart
MRI DATA ONLY

Give information for the last three (3) years for which complete data is available for the facility or agency. The fiscal Year begins in January.

	2012	2013	2014
A Utilization Data	1,426	1,386	1,451
B Revenue from Services to Patients			
1 Inpatient Services	$ -	$ -	$ -
2 Outpatient Services (Charges)	$ 1,842,787	$ 1,836,055	$ 1,865,144
3 Emergency Services	$ -	$ -	$ -
4 Other Operating Revenue	$ -	$ -	$ -
Gross Operating Revenue	$ 1,842,787	$ 1,836,055	$ 1,865,144
C Deductions from Gross Operating Revenue			
Contractual Adjustments	$ (831,923)	$ (901,623)	$ (993,724)
Provision for Charity Care	$ -	$ -	$ -
Provision for Bad Debt	$ (92,139)	$ (91,803)	$ (93,257)
Total Deductions	$ (924,062)	$ (993,426)	$ (1,086,981)
NET OPERATING REVENUE	$ 918,725	$ 842,629	$ 778,163
D Operating Expenses			
1 Salaries and Wages	$ 100,370	$ 103,182	$ 107,025
2 Physician's Salaries and Wages	$ 183,739	$ 168,526	$ 155,632
3 Supplies	$ 12,595	$ 12,055	$ 14,795
4 Taxes	$ -	$ 1,700	$ 2,050
5 Depreciation	$ -	$ -	$ -
6 Rent	$ 32,173	$ 28,515	$ 34,513
7 Interest, Other than Capital	$ -	$ -	$ -
8 Management Fees	$ -	$ -	$ -
a Fees to Affiliates	$ -	$ -	$ -
b Fees to Non-Affiliates	$ -	$ -	$ -
9 Other Expenses	$ 276,786	$ 249,901	$ 306,738
Total Operating Expenses	$ 605,663	$ 563,879	$ 620,752
E Other Revenue (Expenses) - Net	$ -	$ -	$ -
NET OPERATING INCOME (LOSS)	$ 313,061	$ 278,750	$ 157,410
F Capital Expenditures			
1 Retirement of Principle	$ 87,897	$ 93,272	$ 98,975
2 Interest	$ 22,371	$ 16,855	$ 11,093
Total Capital Expenditures	$ 110,268	$ 110,127	$ 110,068
NET OPERATING INCOME (LOSS) LESS CAPITAL EXPENDITURES	$ 202,793	$ 168,623	$ 47,343

Other Expenses Includes: Telephone, Maintenance, Share of imaging staff, group overhead allocation and billing costs

Premier Medical Group, PC
CON #CN9909-082A
Projected Data Chart
MRI DATA ONLY

Give information for the last three (2) years for which complete data is available for the facility or agency. The fiscal Year begins in January.

		2015		2016
A Utilization Data		1,469		1,488
B Revenue from Services to Patients				
1 Inpatient Services	$	-	$	-
2 Outpatient Services (Charges)	$	1,917,323	$	1,941,290
3 Emergency Services	$	-	$	-
4 Other Operating Revenue	$	-	$	-
Gross Operating Revenue	$	1,917,323	$	1,941,290
C Deductions from Gross Operating Revenue				
Contractual Adjustments	$	(1,129,660)	$	(1,143,439)
Provision for Charity Care	$	-	$	-
Provision for Bad Debt				
Total Deductions	$	(1,129,660)	$	(1,143,439)
NET OPERATING REVENUE	$	787,663	$	797,851
D Operating Expenses				
1 Salaries and Wages	$	110,236	$	113,543
2 Physician's Salaries and Wages	$	157,533	$	159,570
3 Supplies	$	15,238	$	15,696
4 Taxes	$	2,050	$	2,050
5 Depreciation	$	-	$	-
6 Rent	$	35,203	$	58,000
7 Interest, Other than Capital	$	-	$	-
8 Management Fees	$	-	$	-
a Fees to Affiliates	$	-	$	-
b Fees to Non-Affiliates	$	-	$	-
9 Other Expenses	$	306,738	$	114,975
Total Operating Expenses	$	626,998	$	463,834
E Other Revenue (Expenses) - Net	$	-	$	-
NET OPERATING INCOME (LOSS)	$	160,665	$	334,017
F Capital Expenditures				
1 Retirement of Principle	$	105,028	$	169,556
2 Interest	$	5,000	$	4,333
Total Capital Expenditures	$	110,028	$	173,889
NET OPERATING INCOME (LOSS) LESS CAPITAL EXPENDITURES	$	50,637	$	160,128

Other Expenses Includes: Telephone, Maintenance, Share of imaging staff, group overhead allocation and billing costs

Maintenance delayed for 2 years

New Building Rent will increase

Premier Medical Group, PC
CON #CN9909-082A
Average Numbers

	2012	2013	2014	2015	2016
Average Gross Charge	$ 1,292	$ 1,325	$ 1,285	$ 1,305	$ 1,305
Average Deduction from Operating Revenue	$ (648)	$ (717)	$ (749)	$ (769)	$ (768)
Average Net Charge	$ 644	$ 608	$ 536	$ 536	$ 536

Projected a slight increase in volume 2015 and 2016 based on prior years

Premier Medical Group, PC
#CN9909-082A
Year to Date
MRI Charge Schedule Per CPT Code

6. B

CPT Code	CPT Code Description	Charge Master - GLOBAL	GLOBAL - Current State of TN Medicare Reimbursement PAR Non-Facility
70336	70336: MRI Tempomandibular Joint WO	$ 1,072	$ 292.33
70540	70540: MRI IACS, ORBIT, PIT. NECK W/O DYE	$ 1,045	$ 325.89
70543	70543: MRI IACS, ORBIT, PIT. NECK W/O & W/DYE	$ 2,224	$ 448.87
70544	70544: MR ANGIOGRAPHY HEAD W/O DYE	$ 1,045	$ 356.49
70545	70545: MR ANGIOGRAPHY HEAD W/DYE	$ 1,039	$ 350.85
70546	70546: MR ANGIOGRAPH HEAD W/O&W/DYE	$ 1,978	$ 545.01
70547	70547: MR ANGIOGRAPHY NECK W/O DYE	$ 1,000	$ 357.91
70548	70548: MR ANGIOGRAPHY NECK W/DYE	$ 1,039	$ 375.44
70549	70549: MR: Angiograph Neck w/O&W/Dye	$ 1,961	$ 547.26
70551	70551: MRI BRAIN W/O DYE	$ 1,072	$ 211.10
70552	70552: MRI BRAIN W/DYE	$ 1,286	$ 292.89
70553	70553: MRI BRAIN W/O & W/DYE	$ 2,274	$ 346.18
71552	71552: MRI CHEST W/O & W/DYE	$ 1,493	$ 528.17
72141	72141: MRI CERVICAL SPINE, W/O CONTRAST	$ 1,086	$ 205.00
72142	72142: MRI CERVICAL SPINE W/DYE	$ 900	$ 296.24
72146	72146: MRI THORACIC SPINE W/O CONTRAST	$ 1,185	$ 205.00
72148	72148: MRI LUMBAR SPINE W/O DYE	$ 1,171	$ 204.04
72149	72149: MRI LUMBAR SPINE W/DYE	$ 900	$ 292.71
72156	72156: MRI CERVICAL SPINE W/O & W/DYE	$ 2,299	$ 348.11
72157	72157: MRI THORACIC SPINE W/O & W/DYE	$ 1,600	$ 348.80
72158	72158: MRI LUMBAR SPINE W/O & W/DYE	$ 2,274	$ 346.87
72195	72195: MRI PELVIS W/O DYE	$ 1,062	$ 342.22
72197	72197: MRI PELVIS W/O & W/DYE	$ 2,241	$ 461.71
73218	73218: MRI UPPER EXTREMITY W/O DYE	$ 1,045	$ 331.35
73220	73220: MRI Uppr Extremity W/O&W/Dye	$ 800	$ 455.48
73221	73221: MRI JOINT UPR EXTREM W/O DYE	$ 790	$ 215.76
73223	73223: MRI Joint Upr Extr W/O&W/Dye	$ 2,224	$ 428.19
73718	73718: MRI LOWER EXTREMITY W/O DYE	$ 1,045	$ 331.99
73720	73720: MRI LWR EXTREMITY W/O&W/DYE	$ 2,224	$ 458.37

73721	73721: MRI JNT OF LWR EXTRE W/O DYE	$	1,045	$	215.44
73722	73722: MRI Joint of Lwr Extr W/Dye	$	1,245	$	347.99
73723	73723: MRI JOINT LWR EXTR W/O&W/DYE	$	2,224	$	430.11
74181	74181: MRI ABDOMEN W/O DYE	$	1,061	$	303.50
74183	74183: MRI ABDOMEN W/O & W/DYE	$	2,221	$	462.67
74185	74185: MRI ANGIO, ABDOM W ORW/O DYE	$	1,108	$	367.78

TOTAL

Premier Medical Group, PC
#CN9909-082A
Per State of TN Utilization Records
http://www.tennessee.gov/hsda/health_equp/mri-equipment-utilization2014.pdf

		2013	2012	2011	2013	2012	2011
Clarksville Imaging Center, LLC	ODC	4,276	4,119	3,803	$ 7,862,424	$ 7,546,475	$ 7,136,714
Gateway Medical Center	HOSP	4,432	5,242	5,426	$ 22,802,129	$ 24,796,987	$ 22,398,995
Mobile MRI Services, LLC	RPO	1,404	1,129		$ 2,166,949	$ 1,611,633	
Premier Medical Group, PC	PO	1,386	1,426	1,494	$ 1,836,055	$ 1,842,456	$ 1,986,269
Tennessee Orthopaedic Alliance	PO	1,932	1,915	2,007	$ 3,121,110	$ 3,065,388	$ 3,229,671

Average Charges		2013	2012	2011
Clarksville Imaging Center, LLC	ODC	$ 1,839	$ 1,832	$ 1,877
Gateway Medical Center	HOSP	$ 5,145	$ 4,730	$ 4,128
Mobile MRI Services, LLC	RPO	$ 1,543	$ 1,427	
Premier Medical Group, PC	PO	$ 1,325	$ 1,292	$ 1,329
Tennessee Orthopaedic Alliance	PO	$ 1,615	$ 1,601	$ 1,609

Premier Medical Group, PC
#CN9909-082A
Projection 2 Years

	2012	2013	2014	Projected 2015	Projected 2016
PMG Office Visits	205,099	206,051	208,635	211,243	213,883
Counts MRI	1,426	1,386	1,451	1,469	1,488
Charges MRI	$ 1,842,787	$ 1,836,055	$ 1,865,144	$ 1,917,323	$ 1,941,290
% (decrease)/increase MRI		-0.37%	1.58%		
$$ Charge Per Count	$ 1,292	$ 1,325	$ 1,285	$ 1,305	$ 1,305
# of MRI per Office Visit	0.0070	0.0067	0.0070	0.0070	0.0070

2015 Projection is based on an increase of 1.25 % over the prior year, 1.25% came from the increase in visits
2016 Projection is based on an increase of 1.25 % over the prior year, 1.25% came from the increase in visits

Premier Medical Group, PC
#CN9909-082A
Year to Date
MRI DATA BY Financial Class aka Payer Mix

Financial Class	Total Charges - 2014	# of Charges Billed - 2014	% of Payer Mix - 2014	Total Charges - 2013	# of Charges Billed - 2013	% of Payer Mix - 2013	Total Charges - 2012	# of Charges Billed - 2012	% of Payer Mix - 2012
AETNA	$ 83,585.00	65	4.48%	$ 118,413.00	91	6.45%	$ 118,742.00	101	6.44%
BCBS	$ 674,580.00	521	36.13%	$ 701,214.32	533	38.19%	$ 779,987.32	591	42.33%
CIGNA	$ 79,476.00	67	4.26%	$ 73,377.00	60	4.00%	$ 90,939.00	70	4.93%
COMMERCIAL	$ 100,854.00	80	5.40%	$ 60,190.00	48	3.28%	$ 100,661.00	70	5.46%
MEDICARE	$ 302,946.00	222	16.22%	$ 289,036.00	203	15.74%	$ 250,471.54	188	13.59%
MEDICARE ADVANTAGE	$ 119,601.00	86	6.40%	$ 129,223.00	99	7.04%	$ 84,957.00	63	4.61%
Self Pay Patients	$ 45,884.00	40	2.46%	$ 19,410.00	14	1.06%	$ 6,286.00	5	0.34%
TENNCARE	$ 134,966.00	110	7.23%	$ 95,922.00	67	5.22%	$ 57,678.00	52	3.13%
TRICARE	$ 244,918.00	196	13.12%	$ 213,558.32	168	11.63%	$ 227,193.00	179	12.33%
UNITED HEALTHCARE	$ 70,038.00	55	3.75%	$ 112,008.00	80	6.10%	$ 101,793.00	84	5.52%
Workers Comp	$ 10,468.00	9	0.56%	$ 23,703.00	23	1.29%	$ 24,079.00	23	1.31%
TOTAL	$ 1,867,316.00	1451	100.00%	$ 1,836,054.64	1386	100.00%	$ 1,842,786.86	1426	100.00%

PREMIER MEDICAL GROUP, P.C.
AND AFFILIATE

CONSOLIDATED FINANCIAL STATEMENTS
Years Ended December 31, 2013 and 2012

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CARTER
LANKFORD
CPAs P.C.

INDEPENDENT ACCOUNTANT'S REPORT

To the Board of Directors and Stockholders
Premier Medical Group, P.C.
Clarksville, Tennessee

We have reviewed the accompanying consolidated balance sheets of Premier Medical Group, P.C. (a Tennessee corporation) and Affiliate as of December 31, 2013 and 2012, and the related consolidated statements of operations, changes in stockholders' equity, and cash flows for the years then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of Company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the consolidated financial statements as a whole. Accordingly, we do not express such an opinion.

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the consolidated financial statements.

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the consolidated financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

Based on our review, we are not aware of any material modifications that should be made to the accompanying consolidated financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

Carter, Lankford CPAs, P.C.

Nashville, Tennessee

June 12, 2014

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PREMIER MEDICAL GROUP, P.C. AND AFFILIATE
Consolidated Balance Sheets
As of December 31, 2013 and 2012

ASSETS	2013	2012
Current assets:		
Cash	$ 6,574	$ 124,102
Patient accounts receivable, less estimated uncollectibles of $565,541 in 2013 and $568,222 in 2012.	2,928,284	3,028,623
Other accounts receivable	324,535	190,045
Inventory	249,534	221,646
Current portion of notes receivable, stockholders	37,462	17,081
Prepaid expenses	321,698	318,898
Total current assets	3,868,087	3,900,395
Property and equipment, net	2,143,592	3,089,315
Note receivables, stockholders, net of current portion	41,404	29,352
Other assets		
Deposits	5,525	7,375
Land and improvements of consolidated VIE	3,953,947	3,894,719
Organization costs of consolidated VIE	1,953	1,953
Intangible software, net	35,920	75,832
Deferred tax asset, State	37,383	-
Loan costs of consolidated VIE, net	24,763	27,993
Total other assets	4,059,491	4,007,872
Total assets	$ 10,112,574	$ 11,026,934

PREMIER MEDICAL GROUP, P.C. AND AFFILIATE
Consolidated Balance Sheets
As of December 31, 2013 and 2012

LIABILITIES AND STOCKHOLDERS' EQUITY	2013	2012
Current liabilities:		
Bank overdraft	$ 114,179	$ -
Current portion of long-term debt related to Premier Medical Group	308,840	423,261
Current portion of long-term debt related to land and improvements of consolidated VIE	282,504	269,927
Current portion of capital lease obligations	-	1,159
Accounts payable	258,711	215,049
Current portion of notes payable, former stockholders	71,082	86,341
Current portion of support loan	17,154	28,502
Refunds payable	177,243	231,315
Accrued payroll and related expenses	217,122	425,411
Accrued pension expense	1,388,777	1,289,816
Current portion of deferred tax liability - Federal	1,050,679	934,095
Current portion of deferred tax liability - State	206,094	186,502
Other accrued expenses	8,388	5,696
Total current liabilities	4,100,773	4,097,074
Long-term liabilities:		
Long-term debt net of current related to Premier Medical Group	330,377	639,447
Long-term debt net of current related to land and improvements of consolidated VIE	2,250,617	2,533,121
Notes payable, former stockholders, net of current portion	135,101	206,183
Support loan net of current	2,232	19,387
Deferred tax liability - Federal	109,372	384,476
Deferred tax liability - State	-	13,917
Deferred lease expense	202,009	187,167
Total liabilities	7,130,481	8,080,772
Stockholders' equity:		
Class A common stock, $10 par value, 20,000 shares authorized, 5,500 issued in 2013 and 5,300 in 2012, 2,700 and 2,500 shares outstanding at December 31, 2013 and 2012, respectively.	54,000	52,000
Class B common stock, $1 par value, 10,000,000 shares authorized, 1,071,246 issued, 195,339 shares outstanding at December 31, 2013 and 2012.	1,071,246	1,071,246
Class C common stock, no par value, 20,000 shares authorized, 5,500 issued in 2013 and 5,300 in 2012, 2,700 and 2,500 shares outstanding at December 31, 2013 and 2012, respectively.	1,104,518	1,016,518
Additional paid-in capital	439,751	439,751
Retained earnings	657,667	969,819
Treasury stock - at cost, class A, B, and C common, 881,507 shares at December 31, 2013 and 2012,	(1,511,887)	(1,511,887)
Total stockholders' equity	1,815,295	2,037,447
Noncontrolling interest	1,166,798	908,715
Total equity	2,982,093	2,946,162
Total liabilities and equity	$ 10,112,574	$ 11,026,934

PREMIER MEDICAL GROUP, P.C. AND AFFILIATE
Consolidated Statements of Operations
For the Years Ended December 31, 2013 and 2012

	2013	2012
Revenue:		
Net patient revenue	$ 31,567,455	$ 30,143,216
Other revenue	459,640	631,751
Total operating revenue	32,027,095	30,774,967
Expenses:		
Salaries and wages	8,429,137	7,718,733
Employee benefits	886,313	844,092
Supplies	3,069,196	2,826,208
Rents	1,360,093	1,213,279
Repairs and maintenance	1,075,477	1,017,331
Taxes and licenses	266,391	250,330
Insurance	430,679	405,467
Depreciation and amortization	1,051,954	1,152,942
Contract labor	396,589	328,232
Utilities	406,768	442,938
Office expense	369,609	386,346
Lab and X-Ray fees	264,795	255,481
Education expenses	89,993	70,283
Legal and professional fees	154,678	136,028
Advertising	107,022	91,106
Other	39,005	48,179
Total expenses	18,397,699	17,186,975
Operating income before physicians' compensation	13,629,396	13,587,992
Physicians' compensation:		
Physician salaries	12,099,811	12,664,745
Physician benefits	1,926,638	1,749,610
Total physicians' compensation	14,026,449	14,414,355
Operating income (loss)	(397,053)	(826,363)
Other Income (Expense)		
Gain/(Loss) on sale of property and equipment	(130,613)	2,096
Interest expense	(181,441)	(214,375)
Interest income	10,336	13,776
Amortization of loan costs	(3,230)	(3,230)
Total other income (expense)	(304,948)	(201,733)
Net income (loss) before taxes	(702,001)	(1,028,096)
Deferred income tax benefit (expense)	190,228	325,464
Consolidated net income (loss)	(511,773)	(702,632)
Less net income (loss) attributable to the noncontrolling interest	(199,621)	(179,194)
Net income (loss) attributable to Premier Medical Group	$ (312,152)	$ (523,438)

See accompanying consolidated financial statement notes.

PREMIER MEDICAL GROUP, P.C. AND AFFILIATE
Statements of Changes in Stockholders' Equity
For the Years Ended December 31, 2013 and 2012

	Common Stock								Additional		
	Class A		Class B		Class C		Treasury Stock		Paid-in	Retained	
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Capital	Earnings	Total
Balance as of December 31, 2011	5,300	$ 52,000	1,071,246	$ 1,071,246	5,300	$ 1,016,518	881,307	$ (1,397,975)	$ 439,751	$ 1,493,257	$ 2,674,797
Common stock issued	-	-	-	-	-	-	-	-	-	-	-
Common stock repurchased	-	-	-	-	-	-	200	(113,912)	-	-	(113,912)
Net income (loss)	-	-	-	-	-	-	-	-	-	(523,438)	(523,438)
Balance as of December 31, 2012	5,300	$ 52,000	1,071,246	$ 1,071,246	5,300	$ 1,016,518	881,507	$ (1,511,887)	$ 439,751	$ 969,819	$ 2,037,447
Common stock issued	200	2,000	-	-	200	88,000	-	-	-	-	90,000
Common stock repurchased	-	-	-	-	-	-	-	-	-	-	-
Net income (loss)	-	-	-	-	-	-	-	-	-	(312,152)	(312,152)
Balance as of December 31, 2013	5,500	$ 54,000	1,071,246	$ 1,071,246	5,500	$ 1,104,518	881,507	$ (1,511,887)	$ 439,751	$ 657,667	$ 1,815,295

See accompanying consolidated financial statement notes.

PREMIER MEDICAL GROUP, P.C. AND AFFILIATE
Consolidated Statements of Cash Flows
For the Years Ended December 31, 2013 and 2012

	2013	2012
Cash Flows from Operating Activities		
Consolidated net income (loss)	$ (511,773)	$ (702,632)
Adjustments to reconcile net income (loss) to net cash provided by operating activities		
Depreciation and amortization	1,055,184	1,156,172
Deferred income tax (benefit) expense	(190,228)	(325,464)
Deferred operating lease	14,842	(72,034)
(Gain) loss on sale of property and equipment in net income	130,613	(2,096)
Changes in assets and liabilities		
Receivables	(34,151)	24,563
Inventory	(27,890)	(16,410)
Prepaid expenses	(2,800)	(72,834)
Other assets	(57,377)	-
Accounts payable	43,662	70,276
Accounts receivable refunds	(54,073)	26,530
Accrued expenses	(106,636)	136,156
Net Cash Provided by (Used in) Operating Activities	259,373	222,227
Cash Flows from Investing Activities		
Proceeds from sale of property and equipment	-	3,050
Purchase of property and equipment	(196,931)	(146,701)
Purchase of land - Consolidated VIE	-	(561,567)
Loans to officers and employees	-	-
Noncontrolling interest in Premier Development Group, LLC	457,704	581,014
Net Cash Provided by (Used in) Investing Activities	260,773	(124,204)
Cash Flows from Financing Activities		
Principal payments received on notes receivable	(32,433)	29,352
Principal payments on notes payable, former stockholders	(86,342)	(109,176)
Principal payments on L/T borrowings, including capital lease obligations	(442,508)	(787,080)
Principal payments on L/T borrowings, noncontrolling interest	(269,927)	(224,401)
Proceeds from support loan	11,162	17,859
Forgiveness of support loan	(21,805)	(19,084)
Proceeds from loans from former stockholders	-	113,912
Proceeds from long-term borrowings	-	-
Proceeds from long-term borrowings, noncontrolling interest	-	451,156
Proceeds from issuance of common stock	90,000	-
Purchase of treasury stock	-	(113,912)
Net Cash Provided by (Used in) Financing Activities	(751,853)	(641,374)
Net increase (decrease) in cash	(231,707)	(543,351)
Cash, beginning of year	124,102	667,453
Cash, end of year	$ (107,605)	$ 124,102

See accompanying consolidated financial statement notes.

PREMIER MEDICAL GROUP, P.C. AND AFFILIATE
For the Years Ended December 31, 2013 and 2012

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies

Nature of Business
Premier Medical Group, P.C. ("Premier") was incorporated under the laws of the state of Tennessee on December 12, 1994 for the purpose of providing multi-specialty medical services to patients in the Northern Middle Tennessee areas. Premier's patient services include internal medicine, ENT, radiology, OB/GYN, pediatrics, family medicine, and occupational medicine. Premier's corporate office is located at 1850 Business Park Drive, Suite 110A, Clarksville, Tennessee, 37043 and Premier provides clinical services from several locations in Clarksville.

Principals of Consolidation
The consolidated financial statements include the accounts of Premier Development Group, LLC (PDG) in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP). Premier follows FASB Accounting Standards Update (ASU) Topic, *Improvements to Financial Reporting by Enterprises Involved with Variable Interest Entities,* and has included the additional disclosures required by this guidance related to the consolidation of variable interest entities (VIEs). Premier considered in its consolidation of PDG the criteria set forth in Accounting Standards Codification (ASC) Topic, *Consolidation of Variable Interest Entities,* regarding the consolidation of minority owned (less than 50%) affiliate. Premier determined that it had the power to direct activities of PDG that most significantly impact the entity's current and future economic performance and had the potential to absorb benefits or losses that could be significant to the entity. As such, Premier is the primary beneficiary of PDG and the consolidated financial statements include the accounts for PDG for the years ending December 31, 2013 and 2012. Intercompany profits, transactions, and balances have been eliminated in consolidation.

Premier evaluated the impact of this guidance and determined that the criteria did not result in the consolidation of additional entities (see Note 13).

Consolidation of Variable Interest Entities
Premier holds a 14% equity interest in PDG. PDG was organized on July 8, 2011 to acquire land and construct a medical office building that will be leased by Premier. Premier owns less than a 50% interest in PDG, however, exercises control through common ownership and governance. The economic performance of PDG is dependent upon Premier's use of the land and building, yet to be constructed, and Premier and its shareholders absorb significant benefits or losses of the entity.

The carrying amount and classification of PDGs assets, liabilities, net income (loss), and equity included in the consolidated financials for the years ended December 31, 2013 and 2012 are as follows:

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

	2013	2012
Assets:		
Cash	$ 51,808	$ 152,201
Land and improvements	3,953,947	3,894,719
Organization costs	1,953	1,953
Financing costs, net of accumulated amortization	24,763	27,939
Total assets	$ 4,032,471	$ 4,076,812
Liabilities:		
Accrued interest	$ 5,383	$ 5,475
Note payable – Legend's Bank	2,533,121	2,803,048
Total liabilities	$ 2,538,504	$ 2,808,523
Loss from operations	(232,081)	(208,332)
Equity – controlling interest	$ 327,169	359,628
Equity non-controlling interest	1,166,798	908,715
Total equity	$ 1,493,967	$ 1,268,343

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

Change in Accounting Estimate

In January 2012, Premier evaluated the remaining useful lives of leasehold improvements (LHIs) as a result of the planned relocation of its various practices to a new building being constructed by Premier Development Group, LLC (PDG). The evaluation was conducted by site locations with consideration given to each site's existing lease terms and planned exit. As a result of this evaluation, Premier changed the useful lives of its LHIs to depreciate the remaining net book value over the remaining expected term of each respective lease resulting in an additional depreciation expense of $456,458 and $545,099 for 2013 and 2012, respectively.

The total net book value of LHIs for which useful lives were changed at January 1, 2013 and January 1, 2012 was $1,871,991 and $2,527,605, respectively. The depreciation prior to the change for 2013 and 2012 was $105,333 and $110,515, respectively. Current year depreciation for these assets after the change in estimated useful lives is $561,791 and $655,614 for 2013 and 2012, respectively. The remaining net book value is scheduled to be depreciated over the next four years.

A change in depreciation method is considered a change in accounting estimate resulting from a change in accounting principle. Premier reports the change prospectively; previous financial statements are not revised. Instead, the company simply employs the remaining useful lives going forward. The undepreciated cost remaining at the time of the change is depreciated straight-line over the remaining useful lives.

Cash and Cash Equivalents

Premier considers cash on hand and amounts on deposit at financial institutions to be cash and cash equivalents.

Fair Value of Financial Instruments

Fair value is defined as the price that would be received to sell and asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (exit price). The inputs used to measure fair value are classified into the following hierarchy:

> **Level 1** – Quoted prices in active markets for identical assets or liabilities that Premier has the ability to access.
>
> **Level 2** – Observable inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. These inputs may include quoted prices for the identical instrument on an inactive market, prices for similar instruments, interest rates, prepayment speeds, credit risk, yield curves, default rates and similar data, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
>
> **Level 3** – Unobservable inputs for the asset or liability, to the extent relevant observable inputs are not available, representing Premier's own assumptions about the assumptions a market participant would use in valuing the asset or liability, and would be based on the best information available.

The availability of observable inputs can vary from investment to investment and is affected by a wide variety of factors, including for example, the type of investment, whether the investment is new and not yet established in the marketplace, the liquidity of markets, and other characteristics particular to the investment. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Patient Accounts Receivable

Premier accounts for potential losses in accounts receivable utilizing the allowance method. Management has provided an allowance for contractual and uncollectible accounts in the amount of $1,657,684 and $1,756,260 for December 31, 2013 and 2012, respectively.

Premier has agreements with third party payors that provide for payments to Premier at amounts different from its established rates. In valuing accounts receivables, management estimates contractual discounts with third party payors based on historical information. Estimated contractual discounts included in the allowance for uncollectible accounts totaled $1,092,143 and $1,188,038 at December 31, 2013 and 2012, respectively. Additionally, management estimates an allowance for bad debts based on the age of the account and historical collection experience. The estimated allowance for bad debts totaled $565,541 and $568,222 at December 31, 2013 and 2012, respectively. It is not the policy of Premier to place a patient on non-accrual status.

Premier, like other health care providers, may be subject to investigations, regulatory action, lawsuits, and claims arising out of the conduct of its business, including the interpretation of laws and regulations governing the Medicare and Medicaid programs and other third-party payor agreements. At this time, there are no specific alleged violations, claims, or assessments that are pending. Management intends to fully cooperate with any governmental agencies in requests for information. Noncompliance with laws and regulations can make Premier subject to regulatory action, including fines, penalties, and exclusion from the Medicare and Medicaid program.

Inventory

Inventory is estimated at cost, which approximates market, based on one month's average supplies expense. Inventory consists of medical and administrative supplies, drugs, and vaccines.

Notes Receivable Stockholders

Notes receivable stockholders are receivables for the issuance of stock. The interest received on these notes is recorded using the simple interest method.

Deferred Loan Costs

Deferred loan costs are amortized using the straight-line method over the term of the related financing agreement.

Property and Equipment

Property and equipment are recorded at cost. Maintenance and repairs are charged to expense as incurred; major renewals and betterments are capitalized. When an asset is retired or otherwise disposed of, the cost and accumulated depreciation are removed from the accounts and any gain or loss is included in the results of operations. Assets acquired after January 1, 1995 are depreciated over their estimated useful lives using the straight line method of depreciation. The estimated useful lives of the more significant items within each property classification are as follows:

Medical Equipment	5 years
Computers	5 years
Software	3 years
Office Equipment	5 years
Furniture and Fixtures	7 years

Leasehold improvements are amortized using the straight line method over the lesser of their useful life or the expected term of the lease (including renewals that are deemed reasonably assured). Assets acquired prior to 1995 are depreciated using the methods utilized by each acquired business prior to the business acquisition. The majority of those assets are being depreciated using accelerated cost recovery methods of depreciation, which is not materially different from accounting principles generally accepted in the United States of America.

In accordance with Financial Accounting Standards Board Accounting Standards Codification (FASB) Topic, *Accounting for the Impairment or Disposal of Long-Lived Assets,* Premier reviews the carrying value of property and improvements for impairment whenever events and circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. In cases where undiscounted expected future cash flows are less than the carrying value, an impairment loss is recognized equal to an amount by which management, in performing this assessment, include current operating results, trends and prospects, and the effects of obsolescence, demand, competition, and other economic factors.

Income Tax

Premier has adopted FASB Accounting Standards Codification Topic, *Accounting for Income Taxes*, which provides for accounting for income taxes on the asset and liability method. Under the asset and liability method, deferred tax assets and liabilities are determined based on the temporary differences between the financial statement and tax basis of assets and liabilities and are measured using enacted tax rates. Valuation allowances are established when necessary to reduce deferred tax assets to the amount expected to be realized. For tax purposes, Premier's income is calculated on a modified cash basis. The primary temporary differences are attributed to accounts receivable, prepaid expenses, accounts payable, accruals (except for the pension accrual), and depreciation.

Premier also adopted FASB ASC Topic, *Accounting for Uncertainty in Income Taxes,* as it relates to uncertain tax positions. Any interest and penalties recognized associated with a tax position are classified in operating expenses in Premier's consolidated financial statements.

Net Patient Service Revenue and Revenue Recognition

Premier has entered into payment agreements with third-party payors that provide for payments to Premier at amounts different from its established rates. The primary third party payors are managed care organizations, preferred provider organizations, Medicare, TennCare, and certain commercial insurance carriers. Net patient revenue is reported at the estimated net realizable amounts from patients (net of estimated bad debts), third-party payors (including capitation and pay for performance), and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payors. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined.

Revenue is recognized when there is persuasive evidence that an arrangement exists and services have been rendered, the fee is determinable, and collection is reasonably assured.

Premium Revenue

Premier also participates in contracts for specified primary care and specialty care physician services. Capitation and management fees are received monthly by Premier on a per member, per month basis. Premium revenues for these contracts included in patient revenue totaled $553,168 and $453,138 for the years ended December 31, 2013 and 2012, respectively.

Pay for Performance Revenue

Premier receives pay for performance compensation for achieving specified quality targets. Pay for performance revenue included in patient revenue totaled $204,222 and $240,617 for 2013 and 2012, respectively.

Charity Care

FASB Accounting Standards Update (ASU) Topic, *Health Care Entities: Measuring Charity Care for Disclosure – a consensus of the FASB Emerging Issues Task Force,* requires that cost be used as the measurement basis for charity care disclosure purposes and that cost be identified as the direct and indirect costs of providing the charity care. As required, Premier has disclosed the method used to identify or determine such costs.

Premier provides patients with a charity discount of 25 to 100 percent based upon the patient's documented income and number of eligible dependents compared with a matrix of the federal poverty guidelines. Because Premier does not pursue collection of amounts determined to qualify as charity care, they are not reported as revenue. Costs associated with charity care write-offs amounted to $11,898 and $11,210 in 2013 and 2012, respectively. Costs are calculated based on a ratio of total operating expenses (direct and indirect) to fee for service revenue.

Advertising
Premier's policy is to expense advertising costs as they are incurred. Advertising expense for the years ended December 31, 2013 and 2012 were $107,022 and $91,106, respectively.

Paid Time Off
Under Premier's paid time off policy, shareholder physicians are limited to 30 work days per year for time off which must be used by year-end without carryover or pay-out of unused time. Accrued vacation (included in accrued payroll and related expenses) at December 31, 2013 and 2012 totaled $91,812 and $75,486, respectively.

Note 2. Fair Value Measurements

The following tables represent Premier Development Group, LLC's fair value hierarchy for its non-financial investments in real estate (unimproved land) measured at fair value on a recurring basis as of December 31, 2013 and 2012. The investment does not have a readily determinable market and is valued on a recurring basis. Management has determined that the purchase of the land, along with the plans for future development of constructing a medical office building to house the Premier Medical Group, P.C. practices, represents the highest and best use of the investment. Management determined that the 2013 Montgomery County property tax appraisals for the existing property approximates fair market value of the asset as of December 31, 2013 and 2012.

As of December 31, 2013

	Level 1	Level 2	Level 3	Total Carrying Amount
Land	$ -	$ -	$ 3,953,947	$ 3,953,947
Total	$ -	$ -	$ 3,953,947	$ 3,953,947

As of December 31, 2012

	Level 1	Level 2	Level 3	Total Carrying Amount
Land	$ -	$ -	$ 3,894,719	$ 3,894,719
Total	$ -	$ -	$ 3,894,719	$ 3,894,719

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Changes in Level 3 investments for the years ended December 31, 2013

The tables below summarize the activity for the investment in land measured at fair value on a recurring basis using significant Level 3 inputs for the years ended December 31, 2013:

Balance beginning of year, December 31, 2012	$ 3,894,719
Additional building development costs	59,228
Balance end of year, December 31, 2013	$ 3,953,947

The following table represents Premier's level 3 investments, the valuation techniques used to measure the fair value of those investments, and the significant unobservable inputs:

December 31, 2013

Investment	Fair Value	Principal Valuation Technique	Unobservable Inputs
Land	$ 3,953,947	Appraisal Cost	Property Assessment Appraisal Acquisition Cost during current year

December 31, 2012

Investment	Fair Value	Principal Valuation	Unobservable Inputs
Land	$ 3,894,719	Appraisal Cost	Property Assessment Appraisal Acquisition Cost during current year

Note 3. Notes Receivable, Stockholders
Notes receivable, stockholders as of December 31, 2013 and 2012 consists of the following:

	2013	2012
Note receivable from stockholder, due June 30, 2014, to be received in semi-monthly installments of $666.24, including interest at 4.25%	$ 7,904	$ 23,216
Note receivable from stockholder, due June 30, 2014, to be received in semi-monthly installments of $666.24, including interest at 4.25%	-	23,217
Note receivable from stockholder, due February 28, 2016, to be received in semi-monthly installments of $666.24, including interest at 4.25%	33,070	-
Note receivable from stockholder, due June 30, 2016, to be received in semi-monthly installments of $666.24, including interest at 4.25%	37,892	-
Total notes receivable, stockholders	78,866	46,433
Less: current portion	(37,462)	(17,081)
Notes receivable, stockholders, net of current portion	$ 41,404	$ 29,352

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 4. Property and Equipment

Property and equipment as of December 31, 2013 and 2012 consists of the following:

	2013	2012
Medical equipment	$ 4,911,336	$ 4,901,403
Office equipment	288,583	288,583
Computer equipment	1,660,799	1,603,386
Furniture and fixtures	539,422	532,983
Leasehold improvements	3,903,772	4,052,226
Total property and equipment	11,303,912	11,378,581
Less: accumulated depreciation	9,160,320	8,289,266
Property and equipment, net of accumulated depreciation	$ 2,143,592	$ 3,089,315

Depreciation expense, including amortization of assets under capital lease, for the years ended December 31, 2013 and 2012 was $1,012,329 and $1,114,054, respectively.

Note 5. Intangible Assets

Intangible assets with finite lives are amortized on a straight-line basis over their useful lives. Intangible assets consist of the following at December 31, 2013 and 2012:

As of December 31, 2013	Useful Life	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Amortizable intangible assets:				
Software	36 months	$ 1,148,729	$ (1,112,809)	$ 35,920
Loan costs – noncontrolling interest	120 months	32,300	(7,537)	24,763
Total intangible assets		$ 1,181,029	$ (1,120,346)	$ 60,683

As of December 31, 2012	Useful Life	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Amortizable intangible assets:				
Software	36 months	$ 1,149,016	$ (1,073,184)	$ 75,832
Loan costs – noncontrolling interest	120 months	32,300	(4,307)	27,993
Total intangible assets		$ 1,181,316	$ (1,077,491)	$ 103,825

Premier and PDG expect amortization expenses to be approximately $42,855 for 2014 and $3,230 per year for each of the next four years. Premier's future cash flows are not materially impacted by its ability to extend or renew agreements related to its amortizable intangible assets.

Amortization expense related to software and loan costs related to PDG for the years ended December 31, 2013 and 2012 was $42,855 and $42,118, respectively.

Note 6. Long-term Debt Obligations

Long-term debt obligations related to Premier Medical Group as of December 31, 2013 and 2012 consist of the following:

	2013	2012
Note payable with Legends Bank, interest at 6.0%, secured by leasehold improvements at Gateway Medical Office Building, suite 200, monthly payments of $6,713, matures April 7, 2014.	$ 17,797	$ 94,777
Note payable with Legends Bank, interest at 5.95%, secured by mammography equipment, monthly payments of $7,334, matures August 3, 2014.	57,341	139,202
Note payable with Legends Bank, interest at 5.70%, secured by all equipment including but not limited to lab equipment, monthly payments of $2,332, matures July 15, 2013.	-	15,990
Note payable with Legends Bank, interest at 5.75%, secured by two ultra sound machines, monthly payments of $2,670, matures November 15, 2013.	-	28,509
Note payable with Legends Bank, interest at 6.15%, secured by all leasehold improvements, monthly payments of $8,752, matures May 15, 2016.	235,276	322,739
Note payable with Legends Bank, interest at 5.95%, secured by MRI and CT machines, monthly payments of $13,064, matures March 17, 2016.	328,803	461,491
Total long-term debt obligations	639,217	1,062,708
Less: current portion	308,840	423,261
Long-term debt obligations, net of current portion	$ 330,377	$ 639,447

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Based on market rates for similar loans, at December 31, 2013, the fair value of the notes approximates their carrying amount. The aggregate maturities of long-term debt obligations related to Premier Medical Group are as follows:

Year Ending December 31,	Notes Payable
2014	$ 308,840
2015	248,424
2016	81,953
Total	$ 639,217

Long-term debt obligations related to the land and improvements of the consolidated VIE as of December 31, 2013 and 2012 consist of the following:

	2013	2012
Premier Development Group, LLC note payable with Legends Bank, interest at 4.50%, secured by land and personal guarantees of the members with the exception of Premier, monthly payments of $32,684, matures August 14, 2021.	$ 2,533,121	$ 2,803,048
Less: current portion	282,504	269,927
Long-term debt obligations, net of current portion	$ 2,250,617	$ 2,533,121

As described above, Premier is not a guarantor of this debt. The aggregate maturities of long-term debt obligations are as follows:

December 31,	Notes Payable
2014	$ 282,504
2015	295,666
2016	309,195
2017	323,847
2018	338,936
Thereafter	982,973
Total	$ 2,533,121

Note 7. Lines of Credit

Premier has an unsecured lines of credit totaling of $600,000 and PDG, LLC has an unsecured credit line totaling $400,000 with Legends Bank. The annual percentage rate will not go below 6.00% or above 20.00% and is adjusted based on changes in the prime lending rate published in the *Wall Street Journal*. The lines of credit expire August 30, 2014 and are renewable annually by mutual agreement of the parties. There was no outstanding balance on the lines of credit as of December 31, 2013 and 2012.

Note 8. Notes Payable, Former Stockholders

As of December 31, 2013 and 2012, Premier owes $206,183 and $292,524, respectively, to former stockholders for the re-purchase of their stock. Of the balance, $71,082 and $86,341 represents the current portion and $135,101 and $206,183 represents the long-term portion as of December 31, 2013 and 2012, respectively.

These notes bear no interest rate and mature as follows:

Year Ending December 31,	Amount
2014	$ 71,082
2015	71,084
2016	46,931
2017	17,086
Total	$ 206,183

Note 9. Support Loan

Premier has entered into recruiting agreements with Clarksville Health System, L.P. (CHS). The support loan obligations as of December 31, 2013 and 2012 are as follows:

	2013	2012
Support loan for James Darke, M.D., dated August 1, 2010, interest at prime plus one percent, secured by Dr. Darke's accounts receivable.	$ -	$ 7,705
Support loan for Cortney Cabell, M.D., dated August 15, 2011, interest at prime plus one percent, secured by Dr. Cabell's accounts receivable.	5,197	14,105
Support loan for Eliza Whitten-Hoskins, M.D., dated August 1, 2011, interest at prime plus one percent, secured by Dr. Whitten's accounts receivable.	3,028	8,220
Support loan for Michael Engel, M.D., dated September 9, 2011, interest at prime plus one percent, secured by Dr. Engel's accounts receivable.	11,161	17,859
Total support loan obligations	19,386	47,889
Less: current portion	17,154	28,502
Long term support loan obligations, net of current portion	$ 2,232	$ 19,387

Current maturities of support loan obligations are as follows:

2014	$ 17,154
2015	2,232
Total	$ 19,386

Note 10. Income Taxes

The components of income tax benefit (expense) are as follows:

Current:	**2013**	**2012**
State	$ -	$ -
Federal	-	-
Total provision for current income taxes	$ -	$ -

Deferred:	**2013**	**2012**
State	$ 31,708	$ 48,372
Federal	158,520	277,092
Total deferred tax benefit (expense)	$ 190,228	$ 325,464

Deferred income tax liabilities (assets) are as follows:

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2013:	State	Federal	Total
Deferred tax liabilities:			
Accounts receivable net of allowances	$210,838	$1,135,277	$1,346,115
Prepaid expenses	20,910	112,594	133,504
Depreciation methods	30,473	291,659	322,132
Inventory	16,220	87,337	103,557
Total deferred tax liabilities	$278,441	$1,626,867	$1,905,308

As of December 31, 2013:	State	Federal	Total
Deferred tax assets:			
Accounts payable	$ (28,338)	$ (152,584)	$ (180,922)
Accrued expenses and other liabilities	(13,537)	(131,945)	(145,482)
Deferred rent	(13,131)	(70,703)	(83,834)
Net operating loss carryforwards	(54,724)	(111,584)	(166,308)
Total deferred tax assets:	(109,730)	(466,816)	(576,546)
Net deferred tax liabilities	$168,711	$1,160,051	$1,328,762

As of December 31, 2012:	State	Federal	Total
Deferred tax liabilities:			
Accounts receivable net of allowances	$208,286	$1,121,547	$1,329,833
Prepaid expenses	20,728	111,614	132,342
Depreciation methods	84,342	584,215	668,557
Inventory	14,407	77,576	91,983
Total deferred tax liabilities	$327,763	$1,894,952	$2,222,715

As of December 31, 2012:	State	Federal	Total
Deferred tax assets:			
Accounts payable	$ (28,792)	$ (155,035)	$ (183,827)
Accrued expenses and other liabilities	(28,128)	(221,607)	(249,735)
Deferred rent	(12,166)	(65,508)	(77,674)
Net operating loss carryforwards	(58,258)	(134,231)	(192,489)
Total deferred tax assets:	(127,344)	(576,381)	(703,725)
Net deferred tax liabilities	$200,419	$1,318,571	$1,518,990

Deferred tax assets and liabilities are determined based on the differences between the financial statement and tax basis of assets and liabilities and are measured using enacted tax rates. Valuation allowances are established when necessary to reduce deferred tax assets to the amount expected to be realized. Income tax expense is the tax payable or refundable for the period plus or minus the change during the period in deferred tax assets and liabilities

The deferred tax liability at December 31, 2013 and 2012 is as follows:

	2013			2012		
	Current	Noncurrent	Total	Current	Noncurrent	Total
State	$ 206,094	$ (37,383)	$ 168,711	$ 186,502	$ 13,917	$ 200,419
Federal	1,050,679	109,372	1,160,051	934,095	384,476	1,318,571
	$1,256,773	$ 71,989	$1,328,762	$1,120,597	$398,393	$1,518,990

Premier has an unused federal net operating loss of $38,898 to offset future federal taxes for reporting purposes. The federal net operating losses will expire December 31, 2023.

Premier has unused state net operating losses of $627,200 to offset future state excise taxes for reporting purposes. The state net operating losses of $388,537, $68,817, $146,077, and $23,769 will expire December 31, 2022 December 31, 2023, December 31, 2027, and December 31, 2008 respectively.

PDG (consolidated VIE) has unused state operating loss carryforwards of $484,349 to offset future state excise taxes for reporting purposes. The state net operating losses of $218,631, $194,711 and $71,007 will expire December 31, 2028, 2027 and 2026 respectively.

Premier and its consolidated VIE recognize the tax benefits of uncertain tax positions only where the position is "more likely than not" to be sustained assuming examination by tax authorities. Management has analyzed Premier and PDG's tax positions and has concluded that no liability for unrecognized tax benefits should be recorded related to uncertain tax positions taken on returns filed for the open tax years 2011 – 2013. Premier identifies its major tax jurisdictions as the U.S. Federal and State of Tennessee.

Premier and PDG are not currently under audit nor have either been contacted by any of these jurisdictions. Premier is not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will change in the next twelve months.

During the years ended December 31, 2013 and 2012, Premier did not recognize any interest or penalties related to taxes nor were any accrued at December 31, 2013 and 2012.

Note 11. Medical Malpractice Insurance

Premier is covered by professional liability insurance on a claims-made basis except for one internal medicine physician, one hospitalist, one pediatrician, and contracted radiologists which are covered on an occurrence policy. For the years ended December 31, 2013 and 2012, per claim coverage for physicians was $1,000,000, with an aggregate maximum annual coverage of $3,000,000.

Note 12. Retirement Plans

Premier has a qualified profit sharing plan with a 401(k) deferred compensation provision for all eligible employees of the company. Premier contributes safe harbor matching funds on the 401(k) employee contributions limited to a designated percentage and a discretionary profit sharing contribution as determined annually by the corporation's Board of Directors. For the years ended December 31, 2013 and 2012, total retirement plan contributions for the plans amounted to $1,388,777 and $1,289,847 respectively.

Note 13. Related Party Transactions

Premier rented one facility from a stockholder, Richardson and Brandon Building Partnership, during 2013 and 2012. The total rent expense paid to this related party was $70,946 and $69,897 for 2013 and 2012, respectively. Premier has subleased a portion of this property to an individual. The sublease contains the same original term and renewal options as the lease and required monthly rentals of $2,978 and $2,934 during December 31, 2013 and 2012, respectively. FASB ASC 810, *Consolidation*, requires the consolidation of certain "variable interest entities" under generally accepted accounting principles. The Richardson and Brandon Building Partnership does not meet the definition of a variable interest entity and consequently has not been consolidated in the financial statements for Premier.

In the course of issuing and redeeming stock, Premier enters into notes receivable and payable with shareholders and former shareholders as disclosed in Notes 3 and 8, respectively.

Note 14. Operating Leases and Commitments

Premier has a non-cancelable lease for three locations in Clarksville, Tennessee, from Health Care Property Investors, Inc. (Lessor). The lease that began April 6, 1998 was amended effective October 1, 2008 to remove the 141 Hillcrest Drive property from the original lease. The new amended lease agreement expires March 31, 2013 for 9,020 square feet and on March 31, 2018 for 31,131 square feet. The lease is a triple net lease with Premier responsible for all expenses associated with the facilities. The lease requires an increase in the annual rental in year two of the lease until expiration of the non-cancelable lease term.

Additionally, Premier has subleased the property located at 1832 Memorial Drive, Clarksville, Tennessee to the U.S. Government, Department of Veterans Affairs. The term of the sublease began December 1, 2008 and terminated March 31, 2013. Sublease rental income for this property totaled $77,826 and $231,960 for the years ended December 31, 2013 and 2012, respectively and is reported as a reduction in rental expense on the statements of income. Premier incurred final close out costs of $25,000 with the termination of the VA Sublease.

The lease for the administrative offices began August 1, 1995 and was scheduled to expire in February 2002. However, when Premier obtained additional space in the same building, the lease was renegotiated through December 2008. The lease was amended to extend the term of the lease until December 31, 2018. The most recent amendment to the lease executed on September 16, 2013, requires minimum monthly lease payments of $13,153 plus the payment of property taxes and insurance on the property beginning January 1, 2014 through December 31, 2015 then increases 3% each year after that for the remainder of the lease. Also, an additional 6,000 square feet in the same building was leased for a term of twenty four months beginning July 1, 2009, which required minimum monthly lease payments of $1,300 which included Premier's share of property taxes and insurance. This lease was extended on September 16, 2013 and is now set to terminate on December 31, 2018.

The lease for the Governors Square location in Clarksville, Tennessee, began March 1, 1996 and was scheduled to expire on February 28, 2006. Premier exercised the first extension option in 2005 to extend the lease to February 28, 2011. Premier exercised the second extension option in February 2010 to extend the lease to February 29, 2016. One additional extension option remains for a period of five years. The lease provides that monthly lease payments may be adjusted annually. The monthly lease payments amounted to $24,087 at December 31, 2013 and 2012, plus the payment of the property taxes, normal maintenance, dues, and insurance on the property. In addition, the lease is a triple-net lease, with Premier responsible for all expenses associated with the facilities.

The lease for the 1740 Memorial Drive location in Clarksville, Tennessee, began July 1, 2001 and was scheduled to expire on June 30, 2004. The lease contains an automatic renewal of three years per renewal term unless written notice is given by either party. In May 2007, Premier notified the Lessor in writing that they would lease the property only on a one year lease effective July 1, 2007 that would continue through June 30, 2008. They also at that time requested the option to renew the lease on an annual basis. The monthly lease payment at December 31, 2013 and 2012 amounted to $5,956 and $5,868, respectively. Premier has subleased a portion of this property to an individual. The sublease contains the same original term and renewal options as the lease and requires monthly rentals of $2,978 and $2,934 at December 31, 2013 and 2012, respectively. Total sublease rent income netted against rent expense for this agreement for December 31, 2013 and 2012, is $35,473 and $34,905 respectively.

On November 3, 2008, Premier entered into a lease agreement with Gateway Clarksville MOB, LTD, a Texas limited partnership, for medical office space known as Suite Number 200 located at 647 Dunlop Lane, Clarksville, Tennessee. The lease requires a minimum lease payment of $12,728 per month the first year of the term of the lease and increases on each anniversary of the commencement date by one and a half percent (1.5%). The monthly lease payment in effect at December 31, 2013 and 2012 totaled $13,711 and $13,509, respectively. The term date of the lease is November 30, 2018. The lease provides for two extensions (five years each).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

A liability has been recorded on the balance sheet as a deferred lease obligation for the difference in the lease obligation between the lease expense as recorded per the lease agreement and the lease expense that would be reported utilizing straight line amortization of the lease obligation over the term of the lease.

In addition to the leases for property, Premier also has equipment leases with Xerox and Pitney Bowles under operating leases expiring at various dates through June 2018.

Future minimum operating lease payments under non-cancellable operating leases that have remaining terms in excess of one year are as follows:

Year Ending December 31,	Amount
2014	$ 1,181,710
2015	1,198,321
2016	979,275
2017	949,853
2018	491,895
Thereafter	-
Total	$ 4,801,054

The minimum operating lease payments have not been reduced by the minimum rental income which is to be received in the future under the subleases mentioned above.

Total rent expense for office facilities and equipment for the years ended December 31, 2013 and 2012 were as follows:

	2013	2012
Gross building rent expense	$ 1,427,433	$ 1,425,310
Sublease building rental income	(113,299)	(258,514)
Total Net Building Rent Expense	1,314,134	1,166,796
Equipment Rentals	45,959	46,483
Total Net Rental Expense	$ 1,360,093	$ 1,213,279

Note 15. Concentrations of Credit Risk and Revenue

Financial instruments that potentially subject Premier to concentrations of credit risk are cash and accounts receivable. Premier's policy is to place cash in highly-rated financial institutions.

Cash Deposits

The unlimited insurance coverage for noninterest bearing transaction accounts provided under the Dodd-Frank Wall Street Reform and Consumer Protection Act expired on December 31, 2012. Effective January 1, 2013, deposits held in noninterest transaction accounts are aggregated with any interest bearing deposits the owner may hold in the same ownership category, and the combined total will be insured by the Federal Deposit Insurance Corporation up to at least $250,000.

The Company's cash balances are held with Legends Bank in noninterest-bearing accounts. The Company holds cash in excess of the federally insured amounts at various times during the year. The Company has not experienced any losses in their cash accounts and believes it is not exposed to any significant credit risk.

Payor Mix of Patient Accounts Receivable Balances

Premier grants credit without collateral to its patients, most of who are residents of Middle Tennessee and are insured under third-party payor agreements. The following table summarizes the percent of gross accounts receivable from all payors at December 31, 2013:

% of Account Receivable Balance by Payor	2013	2012
Self Pay / Patient Responsibility	35%	30%
Blue Cross Blue Shield	24%	28%
Commercial	4%	3%
Medicare	3%	8%
Medicare Advantage	8%	3%
Medicaid/TennCare	8%	8%
TriCare	7%	7%
Aetna	4%	4%
Cigna	3%	3%
Worker's compensation	1%	2%
United Healthcare	3%	4%
	100%	100%

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

The patient service revenue payor mix for the years ended December 31, 2013 and 2012 is as follows:

	% of Revenue Balance by Payor	
	2013	**2012**
Blue Cross Blue Shield	41%	51%
TriCare	11%	10%
Medicare	10%	7%
Commercial	5%	4%
Medicaid/TennCare	11%	7%
Medicare Advantage	4%	3%
United Healthcare	5%	5%
Self Pay / Patient Responsibility	2%	3%
Aetna	5%	5%
Cigna	5%	4%
Worker's compensation	1%	1%
	100%	100%

Revenue by Specialty

The following table summarizes the percent of revenue (determined based on payments received) by specialty for the years ended December 31, 2013 and 2012.

Specialty	**2013** Payments	Percentage	**2012** Payments	Percentage
Family Practice	$ 10,707,628	33%	$ 8,807,685	30%
Pediatrics	9,026,518	28%	8,832,370	29%
OB/GYN	4,370,069	14%	4,742,914	16%
Radiology	3,083,539	10%	3,110,706	9%
Internal Medicine	2,421,340	8%	2,866,295	10%
Occupational Medicine	973,859	3%	1,223,624	4%
Other	720,420	2%	-	0%
ENT	606,214	2%	615,903	2%

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 16. Supplemental Cash Flows Information

Cash paid during the year for:

	2013	2012
Interest paid	$ 182,847	$ 211,696
Income taxes paid, net of refunds (State)	$ 21,117	$ 32,362

Premier engaged in noncash investing and financing activities as follows:

	2013	2012
Cost of equipment acquired	$ 196,931	$ 206,508
Directly financed by long-term debt	-	-
Cash payments on Capital Expenditures	$ 196,931	$ 206,508
Notes receivable for common stock issued	$ 90,000	$ -
Notes payable for treasury stock purchased	$ -	$ (113,912)

Note 17. Commitments and Contingencies

Lawsuits

Premier is involved in various lawsuits in the normal course of business. Management cannot predict the outcome of the lawsuits or estimate the amount of any loss that may result. Accordingly, no provision for any contingent liabilities that may result has been made in the financial statements. Management believes that losses resulting from these matters, if any, would be covered under Premier's professional liability insurance policy and would not have a material effect on the financial position of Premier.

Stock Repurchase

The shareholders of Premier have entered into an agreement that allows, upon the termination or expiration of a shareholder's employment, Premier to buy all of the shares of stock which the shareholder owns. The amount to be paid by Premier for the departing shareholder's stock is to be paid in twenty-four equal installments without interest and at its discretion. Premier may extend payments for a period of up to five years.

The corporation has issued three classes of Common Stock as reflected in the Statement of Changes in Stockholders' Equity. Both Class A and B shares are valued for purposes of repurchase at cost. Class C per share value is computed based on the net depreciated book value of all furniture, fixtures, equipment, capitalized leasehold improvements, and inventory reduced by any outstanding loans, payables, or indebtedness used to purchase these assets divided by the number of shares issued and outstanding at the time of the repurchase. The per share value is computed based on the amounts as of the end of the calendar month prior to repurchase.

The gross value of all classes of stock may be reduced by the length of ownership and the reason for termination.

Letter of Credit
Premier has an Irrevocable Standby Letter of Credit in favor of Healthcare Properties Investors, Inc. with Legends Bank which is an unsecured renewal loan. The Letter of Credit has a 1% loan origination fee and interest at the current index rate. The Letter of Credit is renewed annually on May 1. On May 1, 2013 and 2012, the Letter of Credit was renewed in the amount of $261,648 and $327,631, respectively. There were no draws on the letter of credit for the years ended December 31, 2013 and 2012.

Note 18. Electronic Health Records

On February 17, 2009, President Barack Obama signed the American Recovery and Reinvestment Act (ARRA) which were designed to increase the use of electronic health records ("EHR"), EHR technology, and establish the requirements for a Medicare and Medicaid incentive payments program beginning in 2011 for eligible hospitals and provides that adopt and meaningfully use certified EHR technology. These incentive payments are intended to offset a portion of the costs incurred to implement and qualify as a meaningful user of EHR.

Starting in 2011, meaningful EMR system users can earn up to $44,000 per eligible physician over five consecutive years of program participation. In addition to the payments received in the current and prior years, Premier expects to receive EHR incentive payments of approximately $286,000 over the next three years.

Note 19. Healthcare Reform

On March 23, 2010, President Obama signed the Patient Protection and Affordable Care Act "PPACA", and one week later, the Health Care and Education Reconciliation Act of 2010. These two healthcare acts, referred to collectively as the Reform Legislation, will have a substantial impact on health care providers, insurers, employers, and individual citizens. The three primary goals of the reform are to expand coverage to those without health insurance, reform the delivery system of benefits to improve quality, and decrease the costs of providing health care. Both acts have various implementation dates through 2020.

Due to the complexity of the changes and the varying implementation dates, the future financial impact of the changes related to these acts is uncertain.

Note 20. Subsequent Events

Loan Covenants

Legends Bank waived a certain requirement contained in its loan agreements requiring financial statements be submitted within thirty (30) days after the year end. A waiver has been received extending the date to June 30, 2014.

Leases

FASB and the International Accounting Standards Board are undergoing a joint project to develop a new approach to lease accounting that would ensure that assets and liabilities arising under leases are recognized in the statement of financial position. The most significant changes relate to accounting for operating leases. The proposed lease guidance is currently in draft form and does not propose an effective date for the new standard nor does it specify whether early adoption would be permitted. However, an effective date of sometime during 2015 or 2016 is expected.

Letter of Credit

Legends Bank renewed the standby letter of credit in favor of Healthcare Properties Investors, Inc. on May 1, 2014 in the amount of $269,497. The letter of credit will expire May 1, 2015.

Premier has evaluated subsequent events through June 12, 2014 the date which the financial statements were available to be issued.

Health Care Providers that Utilize MRI's - Utilization *(As of 8/11/2014)*

County	Provider Type	Provider	Year	Number of	Mobile?	MobileDays	Total Procedures	Total Gross Charges
Madison	PO	West Tennessee Neurosciences	2011	1	Fixed	0	2772	$5,776,165.00
Madison	PO	West Tennessee Neurosciences	2012	1	Fixed	0	2706	$5,593,318.00
Madison	PO	West Tennessee Neurosciences	2013	1	Fixed	0	2729	$5,617,753.00
Marion	HOSP	Parkridge West Hospital	2011	1	Fixed	0	884	$3,396,650.00
Marion	HOSP	Parkridge West Hospital	2012	1	Fixed	0	953	$3,665,892.00
Marion	HOSP	Parkridge West Hospital	2013	1	Fixed	0	884	$3,628,603.00
Marshall	HOSP	Marshall Medical Center	2011	1	Fixed	0	604	$1,443,583.00
Marshall	HOSP	Marshall Medical Center	2012	1	Fixed	0	700	$1,653,450.00
Marshall	HOSP	Marshall Medical Center	2013	1	Fixed	0	773	$1,820,015.00
Maury	HOSP	Maury Regional Medical Center	2011	3	Fixed	0	5724	$14,475,420.00
Maury	HOSP	Maury Regional Medical Center	2012	3	Fixed	0	6083	$15,549,861.00
Maury	HOSP	Maury Regional Medical Center	2013	3	Fixed	0	6109	$15,968,113.00
Maury	PO	Mid Tennessee Bone and Joint Clinic, PC	2011	1	Fixed	0	2188	$2,675,867.00
Maury	PO	Mid Tennessee Bone and Joint Clinic, PC	2012	1	Fixed	0	1909	$2,260,272.00
Maury	PO	Mid Tennessee Bone and Joint Clinic, PC	2013	1	Fixed	0	2047	$2,441,245.00
Maury	RPO	Mobile MRI Services, LLC - Columbia	2012	1	Mobile (Part)	2 days/week	415	$601,361.00
Maury	RPO	Mobile MRI Services, LLC - Columbia	2013	1	Mobile (Part)	0 days/week	0	$0.00
Maury	ODC	Spring Hill Imaging Center (Maury Regional Imaging Ctr)	2011	1	Fixed	0	1726	$2,699,679.00
Maury	ODC	Spring Hill Imaging Center (Maury Regional Imaging Ctr)	2012	1	Fixed	0	1897	$2,997,915.00
Maury	ODC	Spring Hill Imaging Center (Maury Regional Imaging Ctr)	2013	1	Fixed	0	2392	$3,592,375.00
McMinn	HOSP	Starr Regional Medical Center	2011	1	Fixed	0	2112	$5,938,549.00
McMinn	HOSP	Starr Regional Medical Center	2012	1	Fixed	0	2295	$7,019,827.00
McMinn	HOSP	Starr Regional Medical Center	2013	1	Fixed	0	2437	$8,240,665.00
McMinn	HOSP	Starr Regional Medical Center Etowah	2011	1	Fixed	0	1028	$1,995,839.30
McMinn	HOSP	Starr Regional Medical Center Etowah	2012	1	Fixed	0	1078	$2,244,905.00
McMinn	HOSP	Starr Regional Medical Center Etowah	2013	1	Fixed	0	479	$1,231,955.00
McNairy	HOSP	McNairy Regional Hospital	2011	1	Mobile (Part)	2 days/week	554	$2,743,362.00
McNairy	HOSP	McNairy Regional Hospital	2012	1	Mobile (Part)	2 days/week	642	$3,453,706.00
McNairy	HOSP	McNairy Regional Hospital	2013	1	Mobile (Part)	2 days/week	545	$3,113,945.00
Monroe	HOSP	Sweetwater Hospital Association	2011	1	Fixed	0	1681	$2,461,595.00
Monroe	HOSP	Sweetwater Hospital Association	2012	1	Mobile (Full)	5 days/week	1638	$3,662,178.00
Monroe	HOSP	Sweetwater Hospital Association	2013	1	Mobile (Full)	5 days/week	1834	$4,166,600.00
Montgomery	ODC	Clarksville Imaging Center, LLC	2011	1	Fixed	0	3803	$7,136,714.00
Montgomery	ODC	Clarksville Imaging Center, LLC	2012	1	Fixed	0	4119	$7,546,475.00
Montgomery	ODC	Clarksville Imaging Center, LLC	2013	1	Fixed	0	4276	$7,862,424.00
Montgomery	HOSP	Gateway Medical Center	2011	2	Fixed	0	5426	$22,398,995.00

Health Care Providers that Utilize MRI's - Utilization *(As of 8/11/2014)*

County	Provider Type	Provider	Year	Number of	Mobile?	MobileDays	Total Procedures	Total Gross Charges
Montgomery	HOSP	Gateway Medical Center	2012	2	Fixed	0	5242	$24,796,987.00
Montgomery	HOSP	Gateway Medical Center	2013	2	Fixed	0	4432	$22,802,129.00
Montgomery	RPO	Mobile MRI Services, LLC - Clarksville	2012	1	Mobile (Part)	3 days/week	1129	$1,611,633.00
Montgomery	RPO	Mobile MRI Services, LLC - Clarksville	2013	1	Mobile (Full)	5 days/week	1404	$2,166,949.00
Montgomery	PO	Premier Medical Group, P.C.	2011	1	Fixed	0	1494	$1,986,269.00
Montgomery	PO	Premier Medical Group, P.C.	2012	1	Fixed	0	1426	$1,842,456.00
Montgomery	PO	Premier Medical Group, P.C.	2013	1	Fixed	0	1386	$1,836,055.00
Montgomery	PO	Tennessee Orthopaedic Alliance	2011	1	Fixed	0	2007	$3,229,671.00
Montgomery	PO	Tennessee Orthopaedic Alliance	2012	1	Fixed	0	1915	$3,065,388.00
Montgomery	PO	Tennessee Orthopaedic Alliance	2013	1	Fixed	0	1932	$3,121,110.00
Obion	HOSP	Baptist Memorial Hospital - Union City	2011	1	Fixed	0	2111	$4,467,533.00
Obion	HOSP	Baptist Memorial Hospital - Union City	2012	1	Fixed	0	2066	$4,997,139.00
Obion	HOSP	Baptist Memorial Hospital - Union City	2013	1	Fixed	0	1784	$4,822,205.00
Overton	HOSP	Livingston Regional Hospital	2011	1	Fixed	0	1064	$3,147,563.00
Overton	HOSP	Livingston Regional Hospital	2012	1	Fixed	0	959	$3,152,927.00
Overton	HOSP	Livingston Regional Hospital	2013	1	Fixed	0	949	$3,447,373.00
Polk	HOSP	Copper Basin Medical Center	2011	1	Mobile (Part)	1 day/week	239	$492,034.00
Polk	HOSP	Copper Basin Medical Center	2012	1	Mobile (Part)	1 day/week	176	$454,983.00
Polk	HOSP	Copper Basin Medical Center	2013	1	Mobile (Part)	1 day/week	250	$651,068.00
Putnam	HOSP	Cookeville Regional Medical Center	2011	2	Fixed	0	8001	$13,445,937.00
Putnam	HOSP	Cookeville Regional Medical Center	2012	1	Fixed	0	4928	$8,402,093.00
Putnam	HOSP	Cookeville Regional Medical Center	2013	1	Fixed	0	3701	$6,202,892.00
Putnam	H-Imaging	Outpatient Imaging Center at Cookeville Regional	2012	2	Fixed	0	3385	$5,171,920.00
Putnam	H-Imaging	Outpatient Imaging Center at Cookeville Regional	2013	2	Fixed	0	4791	$7,266,860.00
Putnam	ODC	Premier Diagnostic Imaging, LLC	2011	2	Fixed	0	5707	$6,652,269.00
Putnam	ODC	Premier Diagnostic Imaging, LLC	2012	2	Fixed	0	5572	$6,556,168.00
Putnam	ODC	Premier Diagnostic Imaging, LLC	2013	2	Fixed	0	5674	$6,777,007.00
Rhea	HOSP	Rhea Medical Center	2011	1	Fixed	0	1289	$1,720,072.00
Rhea	HOSP	Rhea Medical Center	2012	1	Fixed	0	1530	$1,846,095.00
Rhea	HOSP	Rhea Medical Center	2013	1	Fixed	0	1481	$1,809,206.00
Roane	HOSP	Roane Medical Center	2011	1	Fixed	0	1958	$2,737,722.00
Roane	HOSP	Roane Medical Center	2012	1	Fixed	0	1914	$2,672,497.00
Roane	HOSP	Roane Medical Center	2013	1	Fixed	0	1729	$3,149,219.00
Robertson	HOSP	Northcrest Medical Center	2011	1	Fixed	0	2606	$4,493,907.00
Robertson	HOSP	Northcrest Medical Center	2012	1	Fixed	0	2780	$4,880,006.00
Robertson	HOSP	Northcrest Medical Center	2013	1	Fixed	0	3232	$6,382,149.00
Rutherford	ODC	Imaging Center of Murfreesboro	2011	1	Fixed	0	4307	$3,980,999.00

Employee.Employee Name	HRCustom.JobTitle	PayInfo.Rate_1	PayInfo.Salary
FUQUA, PHILLIP RODNEY	Director of Imaging Services	$ -	$ 3,398.98
WOFFORD, BOBBIE J	CT Technologist	$ 27.93	$ -
HUERTA, ANNE M	Ultrasound Technician	$ 26.50	$ -
LUNA, RACHAEL	Ultrasound Technician	$ 32.04	$ -
BANDY, BRIDGETT	Mammographer	$ 20.00	$ -
ROMERO, CENDY LEE	Mammographer	$ 26.34	$ -
ANDERSON, JERRETT	Radiologic Technician	$ 17.60	$ -
LANE, LOUISE ANNE	Radiologic Technician	$ 23.15	$ -
LIPINSKI, ANTHONY EDWARD	Radiologic Technician	$ 20.69	$ -
MAXWELL, STEPHANIE	Radiologic Technician	$ 18.11	$ -
MULET, JANE	Radiologic Technician	$ 17.60	$ -
QUEEN, SHANNON	Radiologic Technician	$ 17.14	$ -
FULCHER, CHERI LEE	Patient Services Representative	$ 12.24	$ -
PENNA, JOANNA	Patient Services Central Scheduler	$ 11.85	$ -

2013 HORNE LLP MEDICAL OFFICE STAFF SALARY SURVEY

Clinical

All Positions - Multi-Specialty Only

Position	Less than five years				Greater than five years			
	25th PCTL	Med	75th PCTL	Count	25th PCTL	Med	75th PCTL	Count
Audiologist					24.55	30.74	34.11	8
Cardiovascular/EKG Technician	10.47	11.60	12.75	7	13.50	15.34	18.00	9
Clinical Supervisor	19.45	20.00	23.73	5	18.42	26.78	36.27	15
CT Technologist	19.98	23.54	25.28	6	24.78	26.57	29.43	12
Echocardiogram Technician					26.73	30.00	36.22	7
EEG/Neurology Technician					18.81	20.17	22.94	8
Licensed Practical Nurse	13.45	14.42	15.39	30	15.89	17.33	18.42	36
Mammography Technologist					24.16	24.97	28.03	6
Medical Assistant, Certified	10.06	11.37	12.56	18	12.34	13.71	14.99	22
Medical Assistant, Non-certified	10.44	10.96	12.00	26	12.18	13.45	14.59	24
Medical Laboratory Assistant (MLA)					12.71	16.00	16.50	5
Medical Laboratory Technician (MLT)	14.75	15.51	17.49	7	15.24	17.12	20.40	14
Medical Technologist, Certified	18.60	19.64	21.95	8	18.64	22.44	24.00	13
MRI Technician/Technologist	22.24	25.47	27.51	6	28.14	30.77	34.33	8
Nuclear Medicine Technician					28.20	31.00	35.82	9
Nurse Assistant, Certified					12.26	12.95	13.52	5
Ophthalmic Technician	14.16	16.25	17.21	5				
Pharmacist	48.63	54.42	57.71	6	62.00	63.43	63.57	5
Pharmacy Technician	11.39	12.25	12.51	6	13.75	14.47	16.22	8
Phlebotomist	10.50	11.13	11.63	15	11.21	12.77	13.94	19
Physical Therapist, Certified	28.00	31.98	39.41	5	38.25	39.68	42.22	6
Registered Nurse, BSN or above	19.78	22.68	25.99	13	24.07	25.35	29.07	24
Registered Nurse, Diploma or AA degree	20.13	21.18	23.34	17	23.37	26.24	30.28	21
Registered Nurse, Manager/Supervisor	28.64	30.70	31.16	6	29.09	34.34	42.54	14
Surgery Technician, Certified	15.66	17.21	18.90	7	20.75	23.73	23.82	5
Surgery Technician, Non-certified	15.65	17.15	17.83	6				
Ultrasound Technician, Certified	23.98	27.03	28.25	10	26.39	29.49	33.73	18
X-Ray Technician, Certified	16.26	18.81	19.79	19	18.64	21.00	21.94	25

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GEOGRAPHIC REGIONS

Regions were delineated when sample sizes were sufficient to report meaningful information and to ensure confidentiality. Facilities from the following cities participated. We have separated out the top respondent states as represented on page 15 and 16.

States:

Alabama:
Anniston, Birmingham, Dothan, Grand Bay, Hoover, Mobile, Tuscaloosa

Florida:
Hobe Sound, Jacksonville, Miami Beach, Pensacola, Riverview, Stuart, Tallahassee, Winter Park

Louisiana, North:
Alexandria, DeRidder, Monroe, Shreveport

Louisiana, Southeast:
Baton Rouge, Covington, Hammond, Lacombe, LaPlace, Madisonville, Mandeville, Metairie, New Orleans, Ponchatoula, Slidell, Thibodaux,

Louisiana, Southwest:
Lafayette, Lake Charles, Youngsville

Mississippi, North:
Kosciusko, Mississippi State, New Albany, Oxford, Tupelo

Mississippi, South:
Biloxi, Brookhaven, Flowood, Gulfport, Hattiesburg, Hazlehurst, Jackson, Laurel, Magee, McComb, Meridian, Ocean Springs, Pascagoula, Ridgeland, Vicksburg

Tennessee:
Chattanooga, Clarksville, Cleveland, Cookeville, Jackson, Kingsport, Knoxville, Nashville, Oak Ridge, Rogersville

Texas:
Arlington, Beaumont, Bryan, Fort Worth, Houston, Pasadena, Port Lavaca, San Antonio, Southlake, Tyler, Waco, Wichita Falls

Virginia, Southeast:
Henrico, Newport News, Norfolk, Richmond, Williamsburg

Virginia, Other:
Charlottesville, Danville, Lebanon, Low Moor, Lynchburg, Manassas, Midlothian, Orange, Roanoke, Salem, Warrenton

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All industries
Clarksville, TN-KY MSA

Healthcare Practitioners and Technical Occupations

Occupation Job Description	Occ. code	Est. empl.	Mean Hourly Wage	Entry wage	Exp. wage	25th pct	Median wage	75th pct
Healthcare Practitioners and Technical Occupations	29-0000	4,570	58,875 28.30	30,821 14.80	72,902 35.05	36,783 17.70	49,106 23.60	65,810 31.65
Dentists, General	29-1021	20	154,523 74.30	111,063 53.40	176,254 84.75	123,158 59.20	136,381 65.55	150,682 72.45
Dietitians and Nutritionists	29-1031	20	49,158 23.65	40,174 19.30	53,649 25.80	41,692 20.05	49,994 24.05	56,055 26.95
Pharmacists	29-1051	170	120,406 57.90	99,378 47.80	130,920 62.95	108,511 52.15	126,031 60.60	139,097 66.85
Family and General Practitioners	29-1062	N/A	156,493 75.25	80,190 38.55	194,645 93.60	104,563 50.25	148,136 71.20	187,349 90.05
Surgeons	29-1067	20	240,814 115.80	194,588 93.55	N/A	187,200 90.00	187,200 90.00	187,200 90.00
Physicians and Surgeons, All Other	29-1069	100	192,587 92.60	134,055 64.45	221,853 106.65	149,999 72.10	184,837 88.85	187,989 90.40
Physician Assistants	29-1071	40	91,186 43.85	81,028 38.95	96,265 46.30	82,563 39.70	87,157 41.90	96,272 46.30
Occupational Therapists	29-1122	30	75,093 36.10	63,269 30.40	81,005 38.95	67,119 32.25	77,279 37.15	85,246 41.00
Physical Therapists	29-1123	70	76,317 36.70	64,474 31.00	82,239 39.55	67,961 32.65	75,810 36.45	86,440 41.55
Speech-Language Pathologists	29-1127	50	65,644 31.55	52,050 25.00	72,441 34.85	55,781 26.80	65,976 31.70	75,734 36.40
Veterinarians	29-1131	40	77,536 37.30	67,215 32.30	82,697 39.75	66,175 31.80	71,547 34.40	94,900 45.65
Registered Nurses	29-1141	1,390	56,644 27.25	45,335 21.80	62,298 29.95	48,262 23.20	56,782 27.30	64,440 31.00
Nurse Practitioners	29-1171	120	97,143 46.70	73,125 35.15	109,153 52.50	79,115 38.05	95,345 45.85	116,744 56.15
Medical and Clinical Laboratory Technologists	29-2011	60	54,977 26.45	44,642 21.45	60,145 28.90	47,694 22.95	55,050 26.45	61,683 29.65
Medical and Clinical Laboratory Technicians	29-2012	70	34,561 16.60	22,075 10.60	40,804 19.60	27,874 13.40	36,080 17.35	42,787 20.55
Dental Hygienists	29-2021	150	56,646 27.25	43,308 20.80	63,314 30.45	49,140 23.65	57,670 27.75	66,727 32.10
Cardiovascular Technologists and Technicians	29-2031	N/A	38,423 18.45	26,726 12.85	44,271 21.30	27,874 13.40	32,415 15.60	39,138 18.80
Diagnostic Medical Sonographers	29-2032	30	57,740 27.75	47,494 22.85	62,863 30.20	49,848 23.95	58,042 27.90	67,202 32.30
Radiologic Technologists and Technicians	29-2034	140	46,419 22.30	33,785 16.25	52,736 25.35	38,687 18.60	45,247 21.75	55,276 26.55
Emergency Medical Technicians and Paramedics	29-2041	320	31,941 15.35	21,858 10.50	36,983 17.80	23,642 11.35	28,757 13.85	37,690 18.10
Pharmacy Technicians	29-2052	280	28,518 13.70	20,490 9.85	32,531 15.65	22,677 10.90	27,603 13.25	34,906 16.80
Surgical Technologists	29-2055	70	38,482 18.50	30,304 14.55	42,571 20.45	32,503 15.65	37,310 17.95	44,682 21.50

Occupation Job Description	Occ. code	Est. empl.	Mean Hourly Wage	Entry wage	Exp. wage	25th pct	Median wage	75th pct
Veterinary Technologists and Technicians	29-2056	70	24,015 11.55	19,349 9.30	26,348 12.65	20,602 9.90	22,964 11.05	27,336 13.15
Licensed Practical and Licensed Vocational Nurses	29-2061	760	38,993 18.75	32,202 15.50	42,388 20.40	34,904 16.80	38,486 18.50	43,668 21.00

Entry and Experienced Wages represent the mean of the lower third and the mean of the upper two-thirds of the wage distribution respectively. The OES survey does not collect information for entry or experienced workers. Tennessee Department of Labor & Worforce Development, Labor Market Information. Publish date June 2014.

ACR®
AMERICAN COLLEGE OF
RADIOLOGY

American College of Radiology

Magnetic Resonance Imaging Services of

Premier Medical Group Imaging Center

2831 Wilma Rudolph Blvd.
Clarksville, Tennessee 37040

were surveyed by the
Committee on MRI Accreditation of the
Commission on Quality and Safety

The following magnet was approved

General Electric 12X HD EXCITE 2006

For

Spine, Body, MSK

Accredited from:

August 08, 2014 through August 08, 2017

Anthony J. Sanders, M.D.

CHAIRMAN, COMMITTEE ON MRI ACCREDITATION

Paul H. Ellenbogen, M.D.

PRESIDENT, AMERICAN COLLEGE OF RADIOLOGY

MRAP# 06355-01

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PRESIDENT, AMERICAN COLLEGE OF RADIOLOGY

MRAP# 06355-01

Facility ID 12265, CTAP 03130, MRAP 06355 MIPPA Mandated Site Visit

Boston, Marion [mboston@acr.org]
Sent: Wednesday, March 25, 2015 7:55 AM
To: Phil Fuqua

Phil,

I have received your facility's corrective action documentation. It is considered acceptable and complete. I would suggest that you obtain copies of Mr. Stoner's CME or print out from RSNA, AAPM or Gateway; he has only given you an attestation but your facility needs the actual documentation. I would also suggest expanding your "orientation" policy that states you do a professional license check to include the medical physicist and interpreting physicians. MIPPA mandates that these personnel be included in this check.

Thanks,

Marion
Marion Boston
Assistant Director
American College of Radiology
1891 Preston White Dr.
Reston, VA 20191
800-770-0145 x 4976
703-880-0561 (fax)
mboston@acr.org

[ACR2015]
Click here to learn more about ACR 2015. <http://www.acr.org/ACR2015>

This email has been scanned by the Symantec Email Security.cloud service.

Premier Imaging Employees Orientation /Employment :

1) Applicant will apply through Premier Medical Group's On-Line job site .
2) After determination that applicant fulfills criteria for posted position , applicant will be contacted by HR and set-up for interview .
3) Applicant will be interviewed by appropriate supervisors for position .
4) Supervisors will recommend whether to make offer or not to applicant .
5) References will be checked . Professional license checked .
6) Applicant will be brought back for second interview and benefits discussion
7) If accepted by Premier will under go back ground check and drug screening
8) If hired applicant will go through full day of orientation including HIPAA , telephone etiquette , benefits , and various aspects of the company policies
9) Orientation at various sites could be included in first week of training
10) Initial orientation consists of 30 days under different supervisors
11) Applicant given work schedule (times & place) to report to.
12) Applicant meets with all staff and orients from all areas of Imaging
13) Applicant is on 90 day probationary period
14) Applicant has 6 months to get Tennessee x-ray license
15) 90 day evaluation completed by immediate supervisor
16) 180 day evaluation done and applicant re-evaluated
17) Yearly evaluation performed and re-evaluated
18) Continuing education units checked in all areas
19) All licenses including CPR and professional checked yearly
20) All employees subject to random drug testing during employment

Phil Fuqua R.T.R.(MR)

Director Of Imaging

PREMIER
MEDICAL GROUP

Consent for Pre-Employment Drug Testing

I recognize that any offer of employment to me by Premier Medical Group is conditional upon my successful completion of a drug test to confirm that there are no illegal or unauthorized substances in my system.

I hereby voluntarily consent to providing an unadulterated sample of my urine to the designated Premier Medical Group testing provider for the purpose of drug testing for the presence of illegal or unauthorized substances in my system.

I understand that the results of the drug test will be made available to Premier Medical Group.

In consideration of Premier Medical Group's review of my application for employment, I hereby release any individual, entity, and Premier Medical Group from all claims or liabilities that might arise from the drug test or the disclosure of its results, including claims under any federal, state, or local civil rights law and any claims for defamation or invasion of privacy.

_____

Signature of Applicant Date

_____

Printed Name of Applicant

Refusal to be Tested

I hereby refuse to submit to a drug test. I understand that refusal to submit to testing will result in termination of the employment process and revocation of employment offers that may have been extended to me.

_____

Signature of Applicant Date

_____

Printed Name of Applicant

7-1-2005

PREMIER MEDICAL GROUP ASSOCIATE ORIENTATION

NAME: _____ **SITE:** _____

1. _____ Explain office & clinic functions

2. _____ Review attendance policy, notification requirements & procedure for requesting time off. Contact person and phone # to report absence/tardy:

3. _____ Explain performance review process. Next review date: _____

4. _____ Explain parking, where & how to enter building. Issue door code. Issue keys & disarm code if applicable.

5. _____ Explain timekeeping requirements

_____ How to use clock
_____ Forgot/lost Badge
_____ Dept transfers
_____ Wearing ID Badge
_____ Stickers/Badges

6. _____ Conduct tour of office

_____ Bathrooms
_____ Breakroom
_____ Emergency exits

7. _____ People to know

_____ Site Management Staff
_____ Safety Representative
_____ HIPAA Compliance Officer
_____ Site Physicians
_____ Chief Administrator
_____ Chief Operations Administrator
_____ Infection Control Coordinator

8. _____ Procedures for

_____ Obtaining supplies
_____ Requesting repairs
_____ Incoming & outgoing mail
_____ Recycle bins

9. _____ Procedures, practices and use of

_____ Phone system
_____ Extension list
_____ E-mail
_____ Copier
_____ Fax
_____ Intranet
_____ Internet

10. _____ Safety

_____ Fire extinguisher
_____ Eye wash stations
_____ Safety manual - contents & location
_____ Reporting injuries
_____ PPE practices
_____ MSDS book & location
_____ Red bag trash practices

G:\Groups\Human Resources\Forms\Orientation Checklist.xls

11._____ Explain following policies

_____ Meal periods	_____ Personal phone calls	_____ Visitors in the workplace
_____ No smoking	_____ Cell phones & pagers	_____ Pts. hearing conversations
_____ Solicitation	_____ Sample Drugs	_____ Accessing Mysis system
_____ Hallway medicine	_____ Hospital system	_____ Computer log ins & access codes

12._____ Review standards of professional appearance

13._____ Explain the following programs & practices

_____ Coffee Fund	_____ Picnic Area	_____ Microwave
_____ Sunshine Fund	_____ Fridge Rules	_____ Drug Rep Lunches
_____ Secret Pal	_____ Kitchen Duty	

Comments: _____

_____

The information marked above was reviewed and discussed with me.

_____ _____

Employee Signature Date Supervisor or Groupleader Signature Date

7/22/2004

BackTrack
EMPLOYMENT SCREENING SPECIALISTS

8850 Tyler Blvd., Mentor, OH 44060 Phone (440) 205-8280 Fax (440) 205-8355
Visit our website at: www.backtracker.com or email us at: bti@backtracker.com

NOTICE AND ACKNOWLEDGMENT AUTHORIZATION RELEASE

[IMPORTANT -- PLEASE READ CAREFULLY BEFORE SIGNING ACKNOWLEDGMENT]

NOTICE REGARDING BACKGROUND INVESTIGATION

Employer ("the Company") may obtain information about you from a consumer reporting agency for employment purposes. Thus, you may be the subject of a "consumer report" and/or an "investigative consumer report" which may include information about your character, general reputation, personal characteristics, and/or mode of living, and which can involve personal interviews with sources such as your neighbors, friends, or associates. These reports may contain information regarding your credit history, criminal history from various state, private and insurance sources along with other public records available, social search, motor vehicle records ("driving records"), verification of your education or employment history, or workers' compensation claims. Workers compensation will only be requested in compliance with the ADA and/or any other applicable state laws. These reports may be obtained at any time after receipt of your authorization and, if you are hired, throughout your employment. You have the right, upon written request made within a reasonable time after receipt of this notice, to request disclosure of the nature and scope of any investigative consumer report. Please be advised that the nature and scope of the most common form of investigative consumer report obtained with regard to applicants for employment is an investigation into your education and/or employment history conducted by BackTrack, Inc., 8850 Tyler Boulevard, Mentor, OH 44060, or another outside organization. The scope of this notice and authorization is all-encompassing, however, allowing Employer to obtain from any outside organization all manner of consumer reports and investigative consumer reports now and, if you are hired, throughout the course of your employment to the extent permitted by law. As a result, you should carefully consider whether to exercise your right to request disclosure of the nature and scope of any investigative consumer report. According to the Fair Credit Reporting Act, you are entitled to know if employment is denied or you otherwise suffer an adverse employment action because of information obtained from your prospective employer/employer from a consumer reporting agency. If so, you will be advised and be given the name of the agency or source of information.

Maine and New York applicants or employees only: You have the right to inspect and receive a copy of any investigative consumer report requested by Employer by contacting the consumer reporting agency identified above directly.

ACKNOWLEDGMENT AND AUTHORIZATION

I acknowledge receipt of the NOTICE REGARDING BACKGROUND INVESTIGATION and A SUMMARY OF YOUR RIGHTS UNDER THE FAIR CREDIT REPORTING ACT and certify that I have read and understand both of those documents. I hereby authorize the obtaining of "consumer reports" and/or "investigative consumer reports" at any time after receipt of this authorization and, if I am hired, throughout my employment. To this end, I hereby authorize, without reservation, any law enforcement agency, administrator, state or federal agency, institution, school or university (public or private), information service bureau, Employer, or insurance company to furnish any and all background information requested by BackTrack, Inc., another outside organization acting on behalf of Employer, and/or Employer itself. I agree that a facsimile ("fax"), electronic or photographic copy of this Authorization shall be as valid as the original.

Minnesota and Oklahoma applicants or employees only: Please check this box if you would like to receive a copy of a consumer report if one is obtained by the Company ☐

California applicants or employees only: By signing below, you also acknowledge receipt of the NOTICE REGARDING BACKGROUND INVESTIGATION PURSUANT TO CALIFORNIA LAW. Please check this box if you would like to receive a copy of an investigative consumer report or consumer credit report if one is obtained by the Company at no charge whenever you have a right to receive such a copy under California law. ☐

Have you been convicted of an adult felony crime in the last seven (7) years? You are not obligated to disclose sealed, annulled or expunged convictions or convictions pardoned by the governor. Please be aware that a criminal conviction will not necessarily be a bar to employment and will be considered as it relates to the job in question. Failure to honestly and completely answer this question (other than as described below) will result in discontinued consideration of the application or termination of employment.

☐ **YES** ☐ **NO** If YES, please indicate county and state where convicted._____ Date convicted __/__/__

NOTE: If you are a candidate residing or applying for a position in California, Georgia, or Hawaii please note the limitations on the scope of the above inquiry as follows:

1. CALIFORNIA candidates and residents only: Excluded from this inquiry are the following:
   - Convictions for which the records have been judicially sealed, expunged or statutorily eradicated.
2. GEORGIA candidates and residents only: Excluded from this inquiry are convictions discharged under the First Offender's Law.
3. HAWAII candidates and residents only: Only if you are given an offer of employment, will you be required to answer this question. Otherwise, you do not have to complete this section.

F08-0102/080417

Signature X_____ **Date** _____

Printed Name _____ **Company Applying To** PREMIER MEDICAL GROUP

PAGES 1 AND 2 ARE REQUIRED TO PROCESS BACKGROUND SCREEN

BackTrack
EMPLOYMENT SCREENING SPECIALISTS

8850 Tyler Blvd., Mentor, OH 44060 Phone (440) 205-8280 Fax (440) 205-8355
Visit our website at: www.backtracker.com or email us at: bti@backtracker.com

NOTICE AND ACKNOWLEDGMENT
AUTHORIZATION RELEASE (Continued from Page 1)

BackTrack, Inc. is an employment screening company that conducts background checks on prospective employees/employees for our clients as part of their standard hiring procedure. In order to perform this check, we need you to provide the following information. Please be sure to fill out this form completely and legibly.

APPLICANT INFORMATION (please print clearly & accurately)

Last Name	First Name			Middle Name
Maiden Name	Any Other Name(s) Used			Phone ( )
Home Address		E-Mail Address		
City	State	Zip	County	From Mth/Yr To Mth/Yr
Social Security Number	Date of Birth *			Military Branch of Service
Driver's License Number	State License was Issued			
High School	City/State Location	Year Graduated		Full Name Diploma Issued Under
If GED received, in what State	City/State Location	Date Received		Name Used for GED
College	City/State Location			Year Graduated
Degree Rec'd: ☐ Associate ☐ Bachelor ☐ Master ☐ Other _____	Student ID Number:			Full Name Used
List Previous Addresses (to cover last 7 years) Address	City/State			Zip
County	From Mth/Yr		To Mth/Yr	
Address	City/State			Zip
County	From Mth/Yr		To Mth/Yr	

Are you currently employed? ☐ **YES** ☐ **NO**

May we contact your CURRENT EMPLOYER now? ☐ **YES** ☐ **NO** **(If marked YES, we WILL contact.)** _____ **Please Initial**

IMPORTANT: If you are currently employed and do NOT wish for your current employer to be contacted, please check NO on the above box.

NOTE: The absence of any of the above information could result in a delay in processing your background. If necessary, a representative from BackTrack, Inc. will contact you for additional information in order to expedite the background process. Thank you for your assistance.

---FOR CLIENT USE ONLY – DO NOT WRITE BELOW THIS LINE---

CLIENT INFORMATION		**SERVICES REQUESTED** ☐ **RUSH ORDER** ($26 extra charge)
Name:	**CATHY HAYES**	PACKAGE: ☐ Level I (employment, education, criminal search, credit or SSN search, driving) ☐ Level II (employment, criminal search, credit or SSN search, driving) ☐ Level III (employment, education, criminal search) ☐ Level IV (employment, criminal search, credit or SSN search) ☐ Level V (criminal and SSN search) ☐ Level VI (employment, education, criminal search, credit or SSN search) (Above packages check here for 5 year emp. history____ check here for only 3 year___)
Title:	**HR DIRECTOR**	
E-Mail Address:	**cathyh@premiermed.com**	
Company Name:	**PREMIER MEDICAL GROUP**	
Address: City/State/Zip:	**1850 BUSINESS PARK DR, SUITE 110A** **CLARKSVILLE, TN 37043**	☐ Criminal History (county) ☐ Federal District Search ☐ Civil Litigation ☐ Statewide Search (where available) ☐ CrimeTrack (Criminal Database and National Sex Offender Search) ☐ GlobalTrack (Patriot Act Search)
If Applicable, Division or Code #:		☐ Credit Report
Phone Number:	**(931) 245-7030**	☐ Employment History ☐ Education ☐ Driving Record ☐ SSN Search
Fax Number:	**(931) 245-7069**	☐ Workers' Comp. ☐ Military ☐ Credential ☐ Bus/Personal Ref.

F08-0102/080417

*This information will be used for background screening purposes only and will not be used as hiring criteria.

PAGES 1 AND 2 ARE REQUIRED TO PROCESS BACKGROUND SCREEN

Para information en español, visite www.ftc.gov/credit o escribe a la FTC Consumer Response Center, Room 130-A 600 Pennsylvania Ave. N. W., Washington, D. C. 20580.

A Summary of Your Rights Under the Fair Credit Reporting Act

The federal Fair Credit Reporting Act (FCRA) promotes the accuracy, fairness, and privacy of information in the files of consumer reporting agencies. There are many types of consumer reporting agencies, including credit bureaus and specialty agencies (such as agencies that sell information about check writing histories, medical records, and rental history records). Here is a summary of your major rights under the FCRA. **For more information, including information about additional rights, go to www.ftc.gov/credit or write to: Consumer Response Center, Room 130-A, Federal Trade Commission, 600 Pennsylvania Ave. N.W., Washington, D.C. 20580.**

You must be told if information in your file has been used against you. Anyone who uses a credit report or another type of consumer report to deny your application for credit, insurance, or employment - or to take another adverse action against you - must tell you, and must give you the name, address, and phone number of the agency that provided the information.

You have the right to know what is in your file. You may request and obtain all the information about you in the files of a consumer reporting agency (your "file disclosure"). You will be required to provide proper identification, which may include your Social Security number. In many cases, the disclosure will be free. You are entitled to a free file disclosure if:

a person has taken adverse action against you because of information in your credit report;

you are the victim of identify theft and place a fraud alert in your file;

your file contains inaccurate information as a result of fraud;

you are on public assistance;

you are unemployed but expect to apply for employment within 60 days.

In addition, by September 2005 all consumers will be entitled to one free disclosure every 12 months upon request from each nationwide credit bureau and from nationwide specialty consumer reporting agencies. See www.ftc.gov/credit for additional information.

You have the right to ask for a credit score. Credit scores are numerical summaries of your credit-worthiness based on information from credit bureaus. You may request a credit score from consumer reporting agencies that create scores or distribute scores used in residential real property loans, but you will have to pay for it. In some mortgage transactions, you will receive credit score information for free from the mortgage lender.

You have the right to dispute incomplete or inaccurate information. If you identify information in your file that is incomplete or inaccurate, and report it to the consumer reporting agency, the agency must investigate unless your dispute is frivolous. See www.ftc.gov/credit for an explanation of dispute procedures.

Consumer reporting agencies must correct or delete inaccurate, incomplete, or unverifiable information. Inaccurate, incomplete or unverifiable information must be removed or corrected, usually within 30 days. However, a consumer reporting agency may continue to report information it has verified as accurate.

Consumer reporting agencies may not report outdated negative information. In most cases, a consumer reporting agency may not report negative information that is more than seven years old, or bankruptcies that are more than 10 years old.

Access to your file is limited. A consumer reporting agency may provide information about you only to people with a valid need -- usually to consider an application with a creditor, insurer, employer, landlord, or other business. The FCRA specifies those with a valid need for access.

You must give your consent for reports to be provided to employers. A consumer reporting agency may not give out information about you to your employer, or a potential employer, without your written consent given to the employer. Written consent generally is not required in the trucking industry. For more information, go to www.ftc.gov/credit.

You may limit "prescreened" offers of credit and insurance you get based on information in your credit report. Unsolicited "prescreened" offers for credit and insurance must include a toll-free phone number you can call if you choose to remove your name and address from the lists these offers are based on. You may opt-out with the nationwide credit bureaus at 888-5-OPT-OUT (888-567-8688) or www.optoutprescreen.com.

You may seek damages from violators. If a consumer reporting agency, or, in some cases, a user of consumer reports or a furnisher of information to a consumer reporting agency violates the FCRA, you may be able to sue in state or federal court.

Identity theft victims and active duty military personnel have additional rights. For more information, visit www.ftc.gov/credit.

States may enforce the FCRA, and many states have their own consumer reporting laws. In some cases, you may have more rights under state law. For more information, contact your state or local consumer protection agency or your state Attorney General Federal enforcers are:

TYPE OF BUSINESS:	CONTACT:
Consumer reporting agencies, creditors and others not listed below	Federal Trade Commission: Consumer Response Center – FCRA Washington, DC 20580 877-382-4357
National banks, federal branches/agencies of foreign banks (word "National" or initials "N.A." appear in or after bank's name)	Office of the Comptroller of the Currency Compliance Management, Mail Stop 6-6 Washington, DC 20219 800-613-6743
Federal Reserve System member banks (except national banks, and federal branches/agencies of foreign banks)	Federal Reserve Board Division of Consumer & Community Affairs Washington, DC 20551 202-452-3693
Savings associations and federally chartered savings banks (word "Federal" or initials "F.S.B." appear in federal institution's name)	Office of Thrift Supervision Consumer Complaints Washington, DC 20552 800-842-6929
Federal credit unions (words "Federal Credit Union" appear in institution's name)	National Credit Union Administration 1775 Duke Street Alexandria, VA 22314 703-519-4600
State-chartered banks that are not members of the Federal Reserve System	Federal Deposit Insurance Corporation Consumer Response Center, 2345 Grand Avenue, Suite 100 Kansas City, Missouri 64108-2638 877-275-3342
Air, surface, or rail common carriers regulated by former Civil Aeronautics Board or Interstate Commerce Commission	Department of Transportation, Office of Financial Management Washington, DC 20590 202-366-1306
Activities subject to the Packers and Stockyards Act, 1921	Department of Agriculture Office of Deputy Administrator – GIPSA Washington, DC 20250 202-720-7051

NOTICE REGARDING BACKGROUND INVESTIGATION PURSUANT TO CALIFORNIA LAW

Employer (the "Company") intends to obtain information about you from an investigative consumer reporting agency and/or a consumer credit reporting agency for employment purposes. Thus, you can expect to be the subject of "investigative consumer reports" and "consumer credit reports" obtained for employment purposes. Such reports may include information about your character, general reputation, personal characteristics and mode of living. With respect to any investigative consumer report from an investigative consumer reporting agency ("ICRA"), the Company may investigate the information contained in your employment application and other background information about you, including but not limited to obtaining a criminal record report, verifying references, work history, your social security number, your educational achievements, licensure, and certifications, your driving record, and other information about you, and interviewing people who are knowledgeable about you. The results of this report may be used as a factor in making employment decisions. The source of any investigative consumer report (as that term is defined under California law) will be Back Track, Inc., 8850 Tyler Boulevard, Mentor, OH 44060, 800-991-9694. The source of any credit report will be Back Track, Inc., 8850 Tyler Boulevard, Mentor, OH 44060, 800-991-9694.

The Company agrees to provide you with a copy of an investigative consumer report when required to do so under California law.

Under California Civil Code section 1786.22, you are entitled to find out from an ICRA what is in the ICRA's file on you with proper identification, as follows:

- In person, by visual inspection of your file during normal business hours and on reasonable notice. You also may request a copy of the information in person. The ICRA may not charge you more than the actual copying costs for providing you with a copy of your file.
- A summary of all information contained in the ICRA's file on you that is required to be provided by the California Civil Code will be provided to you via telephone, if you have made a written request, with proper identification, for telephone disclosure, and the toll charge, if any, for the telephone call is prepaid by or charged directly to you.
- By requesting a copy be sent to a specified addressee by certified mail. ICRAs complying with requests for certified mailings shall not be liable for disclosures to third parties caused by mishandling of mail after such mailings leave the ICRAs.

"Proper Identification" includes documents such as a valid driver's license, social security account number, military identification card, and credit cards. Only if you cannot identify yourself with such information may the ICRA require additional information concerning your employment and personal or family history in order to verify your identity.

The ICRA will provide trained personnel to explain any information furnished to you and will provide a written explanation of any coded information contained in files maintained on you. This written explanation will be provided whenever a file is provided to you for visual inspection.

You may be accompanied by one other person of your choosing, who must furnish reasonable identification. An ICRA may require you to furnish a written statement granting permission to the ICRA to discuss your file in such person's presence.

Consumer Complaint Protocol For Imaging :

- Notice displayed in Check-in area detailing protocols for Issuing Complaint
- Notice in all exam areas detailing protocols for consumer complaints
- Locked suggestion box at check-in area for suggestions or complaints
- Patients or families may submit a written complaint via lock box in front waiting area .
  1) Complaint box will be checked weekly by Imaging Supervisor
  2) Any complaints will be forwarded to HR department
  3) All complaints will be addressed and answered to submitting party
  4) All compliments will be addressed by HR and immediate supervisor
- Patients may go online to Premier website(www.premiermed.com) and submit compliments or complaints as needed .
  1) These complaints will be addressed by HR department and further investigated with supervisor and any personnel involved .
  2) Corrective action will be taken and even to point of termination of involved employee ,if needed .
  3) HR department will return results to complainant after sufficient investigation .
- Complaints may also be called into the company by using the main phone line at 931-245-7000 . This will be forwarded to a person responsible for handling consumer questions and complaints . Again all efforts will be used to follow up this situation and resolve it to the best of our ability . The caller will be notified of the results and any action deemed necessary to resolve the issue to all parties satisfaction .

Phil Fuqua R.T.R.(MR)

Director of Imaging Services

EMERGENCY SITUATIONS :

1) In the event of a hostile,life threatening,violent, or catastophic situation please implement the following procedures :
   A) notify supervisor of situation.
   B) call appropriate response team (i.e. police,ambulance,fire and rescue)
   C) document incident immediately.
   D) notify appropriate personnel at corporate office.

EMERGENCY PHONE #'S

POLICE---911
NON EMERGENCY---648-0656
SHERIFF---648-0611
F.B.I.---931-552-1018
POISON CONTROL---1-800-288-9999
TENN.HIGHWAY PATROL---1-615-741-3181
TOXIC/CHEMICAL SPILLS---1-800-262-3300
E.M.S.(AMBULANCE)---911
FIRE DEPT.---911
C.D.ELECTRICITY---648-8151
CHILD ABUSE---648-5520

Premier Medical Group, P.C.
Imaging Department
Emergency Protocol Grid

Power Loss - Page 1

Is Power out only at Imaging Center and Governor's Square Family Practice Center?

Contact Supervisor On Site for Governor's Square
Business Office - Pat Reed, 8610 or pager 572-2005
Clinical - R Ashley Fowler 8630

↓

Notify Clarksville Dept of Electricity (C.D.E.)
648-8151

↓

Contact Imaging Supervisor, Phil Fuqua
8623 or pager 572-1800

↓

Cathy Hayes
7030

↓

Contact Dorothy Davidson COO
931-245-7012

Is Power out only at Imaging Center?

Contact Imaging Supervisor, Phil Fuqua
8623 or pager 572-1800

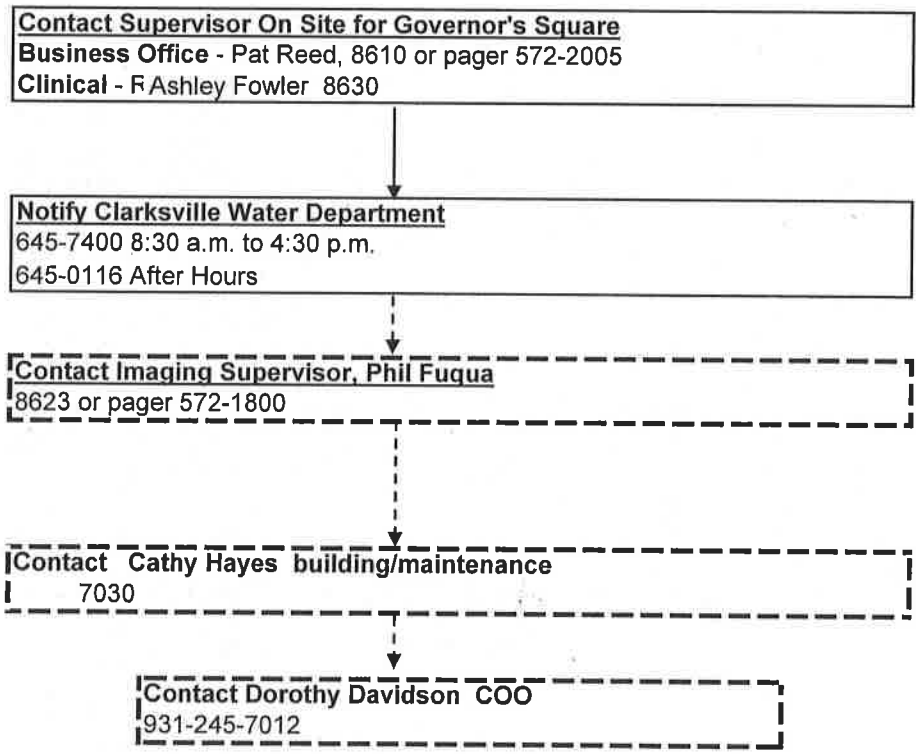
↓

Contact Louise Lane
8625 or page overhead

Premier Medical Group, P.C.
Imaging Department
Emergency Protocol Grid

No Water

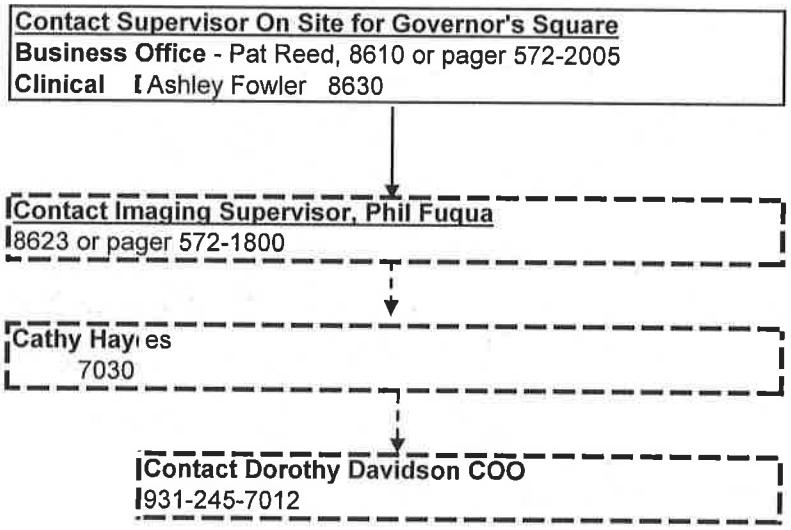
If there is an interruption in water supply, contact the following.



Premier Medical Group, P.C.
Imaging Department
Emergency Protocol Grid

Air Conditioning/Heat System Failure

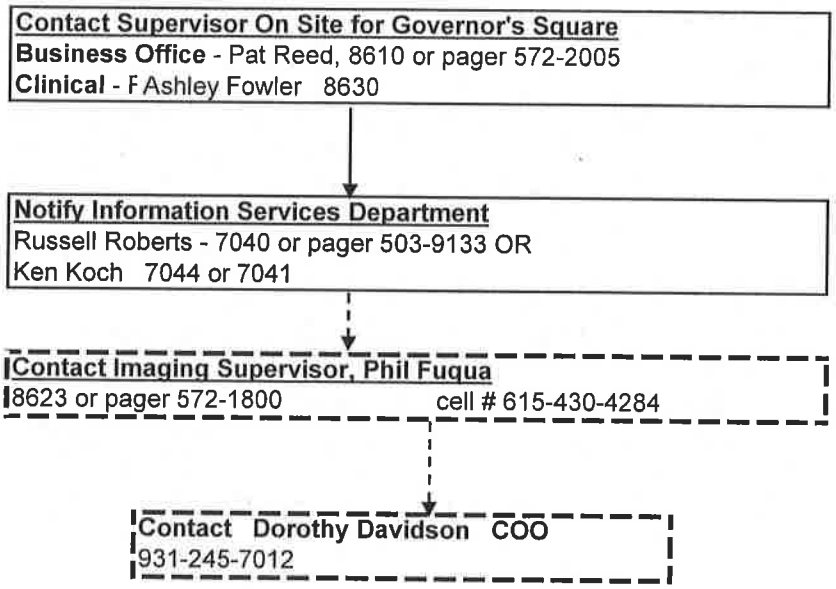
If there is an AC/heating system failure,
the following staff will be contacted.



Premier Medical Group, P.C.
Imaging Department
Emergency Protocol Grid

Phone System Failure

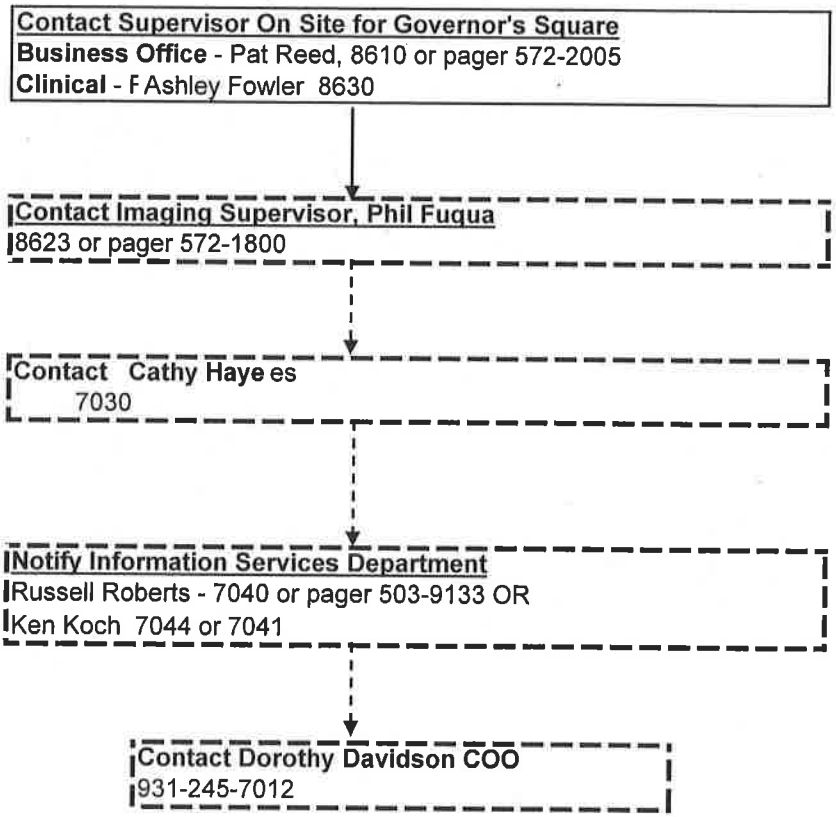
If there is phone system failure, a cell phone may be needed to contact personnel.



Premier Medical Group, P.C.
Imaging Department
Emergency Protocol Grid

Storm/Tornado Damage/Fire

After immediate danger subsides,
contact the following.



Premier Medical Group, P.C.
Imaging Department
Emergency Protocol Grid

Emergency Situations

Hostile	Violent	FIre
Life Threatening	Castastrophy	

Emergency Telephone Numbers

Response Team	911 #	Other Contact #	
Clarksville Police Department	911	Non-emergency	648-0656
Fire Department	911	Report Fire	645-4551
Sheriff	911	Non-emergency	648-0611
TN Highway Patrol			615-741-3181
Toxic/Chemical Spills			800-262-3300
Ambulance/E.M.S.	911		
FBI			552-1018
Child Abuse			648-5520

1. Notify Imaging Supervisor or on-site supervisor.
2. Contact appropriate response team.
3. Document incident immediately (Event Report, Employee Injury Report, Employee Exposure Report)
4. Notify appropriate staff at Central Office:
   Dorothy Davidso Operations 931-245-7012

Premier Medical Group, P.C.
Imaging Department
Emergency Protocol Grid

Power Loss - Page 2

When power is out for >2 hours. The following companies will be notified by the Imaging Supervisor or supervisor on site.

Company	Equip Type	Equip Name	Model/Serial #	Contact	Phone #
G.E. Medical Systems:					
	CT	CT/DXI	931245CT	Rodney Prueitt	800 437-1171
	MRI	Signa Horizon LX	931245MR	Rodney Prueitt	800 437-1171
	Ultrasound	Philips IU22		Joe Zayac	800-722-9377
	Fluoro	GE Legacy	931245RF1	Svc Technician	800 437-1171
Agfa Corp					
	Laser Cameras	Drystar 3000	Serial:3668R	Agfa	888 946-7422
DR Systems	PACS				858-625-3344
Alarm System	alarm/fire				800-223-7727
Flow Construction	Emergency Generator	Rental			615-832-0707
Jake Marshall	chiller	chiller			615-406-4952
Digital x-ray Specialist	x-ray rm1	Bennett		Dan Jefferies	615-319-1607
Konica Processor	cr processor	Konica			on machine
Lee Company	ac	data -aire		commercial service	615-567-1000

PREMIER
IMAGING CENTER
(931) 245-8622

Consent for Contrast Administration
(Injected Material)

Contrast may be administered for any of the following examinations to better visualize the area of interest as determined by you referring doctor:

- CAT Scan (particular body areas)
- MRI Scan (paticular body areas)
- IVP/VCUG (kidneys/ureters/bladder)
- Venogram/Angiogram (vascular system)
- Myelogram (spinal canal disorders)
- Arthrogram (visualization of joint spaces)
- Cholangiograms

NOTE: If you are taking Glucophage (metformin), you should discontinue taking it at least 48 hours prior to your exam date and do not take it again for at least 48 hours after you exam. Before continuing this medication, you will need to have a lab test BUN/CR done.

As with any invasive medical procedure, Premier Medical Group staff will take all precautions necessary to ensure the patient's well being during the examination.

Possible side effects or sensations I may or may not experience have been explained to me by the person administering the exam. I consent to the use of Contrast during this exam.

_____ _____
Patient's Signature Exam Date

_____ _____
Witness Exam Date

Addendum to IV Contrast for Imaging :

Patients older than 55 years of age or diabetic patients who are scheduled for Imaging procedures that require the use of IV contrast will need lab work containing BUN and Creatine levels aquired no longer than 60 days prior to the exam . This is for patients with no history of renal disease or renal insufficiency . If there has been a recent illness or change in medical status that may effect their renal functions , then the BUN/CREA levels should be drawn within 7 days of the scheduled exam .

Phil Fuqua R.T.R.(MR)
Director Of Imaging

Patricia Verhulst M.D.
Chief Radiologist Imaging

Premier Imaging Center Policy :

Pregnant or Possible Pregnant Patients or Employees Policy :

1) All women of child bearing age will be questioned by personnel as to the chance of their being pregnant before having any procedure in the Imaging Department .
2) If there is any suspicion as to chance of pregnancy , the patient will be required to obtain a pregnancy test before the exam .
3) If patient is found to be positive for pregnancy , an order and consent must be obtained from ordering physician with acknowledgement of fact and informed consent signed by patient .
4) All necessary shielding will be in place to shield fetus and not obscure needed anatomical part .
5) Radiologist will be notified of procedure and documented in patients chart and order .
6) If employee is pregnant additional film badge monitoring will be in place on employee and all efforts made to keep person out of direct exposure .
7) Any patient or employee currently breast feeding will refrain from IV contrast injections unless deemed absolutely necessary by ordering physician and radiologist . Contrast doses will also be reduced as much as possible to achieve diagnostic exam .

Phil Fuqua
Imaging Director

Premier Imaging Center Policy :

Screening Patients for MRI Scanning :

- All patients having an MRI exam must 1st fill out a patient history form
- This form includes all surgeries of any type
- This form includes allergies and medications presently taking
- Patient will inform about any claustrophobia
- Patient will indicate if pregnant and if so how far along
- Prior radiologic exams including MRI's
- Prior work in or around metal filings
- Any implants patient presently has
- Patient is taken to dressing room and history sheet is re-confirmed
- Patient is changed into appropriate attire for entering scan room---less shoes
- Patient's clothing locked up outside scan room
- Any artifact showing up on localizer scan , then patient brought out of scanner and re-examined
- If patient suspects or technologist suspect metal filings around facial area , radiologist notified and either x-ray or Ct scan is performed prior to MRI
- Any person needing to be in attendance with patient for support will need to go through same process as patient
- Patient will remove all metallic objects before entering scan room as will attendee
- Any concerns or questions patient has will be addressed
- Noise protection of at least 29db will be provided to all in scan room

--- ---

Jeffrey Wade M.D. date

_____ ---

Phil Fuqua R.T.(R)(MR) date

MRI Safety Policies & Procedures :

- Establishment of **MR safety zones** according to ACR guidelines :
  a) **Zone 1**—All areas freely accessible to public and all employees
  b) **Zone 2**—Interface area between Zone 1(public accessible) and Zone 3 (highly restricted area) where all patients or personnel must be guided or attended to by MR personnel . Usually interview/changing area .
  c) **Zone 3**—Totally restricted area controlled by MR personnel and physically not available to any personnel not under direct supervision of MR director . No-one not trained in MR safety should be allowed in this area . Signs posted warning of danger and magnetic field hazards should be in plain sight and 5 gauss line clearly marked and posted .
  d) **Zone 4**—This is the MR magnet room itself . Clearly marked with red-lights and signs . Only MR designated personnel are allowed access to this area and only people accompanied by designated MR personnel may enter this area after thorough screening both physically and verbally . This room is highly dangerous for accidents to occur with ferromagnetic objects from outside or thermal accidents .
- Establishment of **Level 1 & Level 2 MRI** personnel :
  a) **Level 1 tech** –basically personnel who've been trained by Level 2 tech or primary MRI technologist in basic safety procedures for Zone 3 and limited access to Zone 4 with Level 2 tech . CT tech is also included in this category .
  b) **Level 2 tech**—mainly MRI technologist who's read and been trained in MR safety and who attends patients and other authorized personnel into magnet room(Zone 4) . Personnel trained in hazards including thermal burns , neuromuscular excitation , and ferromagnetic hazards . Personnel trained in patient help and removal in cases of cardiac arrest and contrast reactions or magnet failures . This person or persons are under the direct supervision of the MRI medical director . These persons will also be trained in the use of metal detectors . These persons shall also conduct training classes for all employees within the building and

for emergency responders and police department personnel . A record of people attending these classes will be kept in the radiology department .

- **Screening of Patients** and attending personnel :
  a) All patients will fill out a designed history/screening form prior to entry to Zone 3 . This will be a verbal and written history/screening by authorized person .
  b) All persons entering Zone 4(magnet room) will be screened by at least 2 Level 1 & 2 persons . This includes patients and other non-patients .
  c) All implant patients must produce written verification of type of implant so as calls can be made to manufacture or facility doing implant to verify it's ability to be scanned and any restrictions . If not , scan will not be performed and patient's physician informed of why .
  d) Any patients with history of possible ferromagnetic injury or work around metal shavings must 1st have orbital x-rays or ct scan of orbits to rule out ferrous foreign bodies and read by radiologist prior to entering Zone 3 .
  e) Any patients with brain aneurysm clips will be done only after a decision by the radiologist in charge and a dedicated history has been presented .
- **Sedated patient monitoring** :
  a) Our facility will **not** sedate patients , either consciously or non conscious We are not equipped to monitor those patients . They are referred out Most pediatric and all neonatal patients will be referred out .
- **Contrast and pregnant patients** :
  a) MRI exams requested on known pregnant patients will be judged by the MR medical director and radiologist on a case by case determination . Contrast studies will also be determined by the radiologist in the best interest of the patient and determining causes for exam . If preferred a non-contrast exam will be conducted if deemed necessary .
  All other contrast senarios covered in additional contrast policies

- **Auditory Considerations and Protection** :
  a) See separate policy on hearing protection
- **Emergency supplies and Crash Cart** :
  a) These supplies from oxygen to emergency medicines are kept outside Zone 2 and are re-stocked as used and inventoried monthly by the supervising nurse . All employees are made aware of their placement
- **Magnet Quench** :
  a) In case of suspected accidental or predetermined quench of magnet The patient will be immediately removed from the room and out to Zone 2 . The manufacturer will be called and the Level 2 tech will assess The problem along with the medical director .If needed the Level 2 Tech may initiate an emergency quench .

Phil Fuqua R.T.R.(MR)
Director of Imaging

Premier Imaging Center Policy :

Policy on Audio/Hearing Protection in MRI :

- All patients and or attendees with patients **WILL** be required to wear hearing protection
- Hearing protection may consist of earplugs or headphones
- All earplugs will have a minimum NRR rating of at least 29db
- Our earplugs are rated at NRR 33db
- Headphones are used on occasion depending on anatomy and coil selection
- Always establish communication with patient after inserting noise reduction devices
- All technologist working in scan room during procedures will have earplugs

_____ _____

Jeffrey Wade M.D. date

_____ _____

Phil Fuqua R.T.(R)(MR) date

PREMIER
IMAGING CENTER
(931) 245-8622

POLICY TITLE : Pre-medication of patients with known Contrast allergies .

EFFECTIVE DATE : June 21 , 2011

Patients with known contrast allergies that have been determined by a physician to medically need an exam which requires the injection of a contrast material , are to follow the following pre-medication guidelines prior to their exam in the Imaging department :

1) **PREDNISONE :**
   a) **13 hours prior to exam—50mg orally(P.O.)**
   b) **7 hours prior to exam---50mg orally(P.O.)**
   c) **1 hour prior to exam---50mg orally(P.O.)**
2) **50mg BENADRYL P.O.(orally) 1 Hour prior to exam**

All precautions will be taken to ensure the patients safety and well being during the procedure and the patient will be checked by the radiologist prior to leaving the center . Because Benadryl is an essential part of this procedure and because Benadryl has some potent sedative side effects , we insist that patients taking this have a driver to transport them home after the procedure is completed .

This policy pertains only to patients with known allergies to contrast material and for exams deemed medically necessary for the patients care by the ordering physician .

Approved by :

_____ **Director of Imaging**

_____ **Chief Radiologist**

_____ **Medical Director Premier Medical**

PREMIER
IMAGING CENTER
(931) 245-8622

Policy Title : Contrast Misadministration

Effective Date :_____

Approved :_____

_____

It is the policy of Premier Imaging Center that all contrast materials administered,whether iv,oral,rectal, In joint spaces, or any other type of invasive injections be administered as per our contrast injection policy. If for any reason the administration of the contrast material is nor effectively delivered to the proper injection site, then the technologist or administering party must follow the following steps :

1) **notify radiologist immediately of misadministration**
2) **take immediate steps to aleve patient of any discomfort or possible adverse consequences.**
3) **Notify referring physician of incedent and action taken to rectify situation.**
4) **Follow-up with patient within 24 hours of incedent.**
5) **An incedent report must be filed and reported to the proper administrative personnel.**

PREMIER
IMAGING CENTER
(931) 245-8622

Policy Title : Conscious Sedation

Effective Date :_____

Approved :_____

Neither conscious nor unconscious sedation will be performed at Premier Imaging Center. We feel we are not properly equiped to administer or monitor patients for these situations. We will refer any patients that require any type sedation to an appropriate facility, as a hospital, for the patients' safety. We feel this is done with the patient first and safety is our priority.

Policy for Hearing Protection in MRI Scanner :

Date :

Approved By :

Anyone having an MRI study or exam will be required to wear some type of hearing protection during the scan . This can be either OSHA approved ear plugs , cotton balls , mri compatible head phones , or industrial hearing protection that is MR compatible . All personnel and people accompanying the patient will be required to have such protection also . If a patient or personnel refuse the ear protection , they will be required to sign a release or waiver , releasing Premier Medical from any damages to hearing , due to non-participation of the ear protection offered .

Imaging Policy On Pregnant Patients & Employees :

- All Patients will be screened prior to an exam as to possibility of pregnancy
- Patients will fill out history sheet for some exams and will be verbally questioned
- Patients having radiation producing exams will be shielded whether pregnant or not
- Known pregnant patients will need consent form signed and authorized by ordering physician and radiologist to be notified of pregnancy
- Ordering physician must decide if exam is absolutely necessary before patient is exposed to radiation .
- Mri pregnant patients are discouraged if in 1st trimester .
- Mri pregnant patients must be limited to minimum time in magnetic field
- Mri pregnant patients must also be authorized for exam by ordering physician and radiologist prior to exam .
- Anyone pregnant and accompanying patient must not be allowed in magnetic field or in radiation producing area
- All pregnant patients must be documented in patients permanent chart as to what exam was performed and exposure factors documented
- Anyone breast feeding and needing IV contrast will be requested to NOT breast feed for 24 hours after injection of contrast .

** Pregnant employees must be shielded at all times when working in active radiation producing areas

** Pregnant employees must limit time in magnetic field zones 3 & 4 during employment

** Pregnant employees working in x-ray will be required to wear additional radiation film badge monitoring devices during pregnancy

** Pregnant employees who have to work in fluoroscopy must wear 2 lead aprons to cover both front and back of employee

_____ date _____

Jeffrey Wade M.D.

_____ date _____

Phil Fuqua R.T.R.(MR)

Consumer Complaint Protocol For Imaging :

- Notice displayed in Check-in area detailing protocols for Issuing Complaint
- Notice in all exam areas detailing protocols for consumer complaints
- Locked suggestion box at check-in area for suggestions or complaints
- Patients or families may submit a written complaint via lock box in front waiting area .
  1) Complaint box will be checked weekly by Imaging Supervisor
  2) Any complaints will be forwarded to HR department
  3) All complaints will be addressed and answered to submitting party
  4) All compliments will be addressed by HR and immediate supervisor
- Patients may go online to Premier website(www.premiermed.com) and submit compliments or complaints as needed .
  1) These complaints will be addressed by HR department and further investigated with supervisor and any personnel involved .
  2) Corrective action will be taken and even to point of termination of involved employee ,if needed .
  3) HR department will return results to complainant after sufficient investigation .
- Complaints may also be called into the company by using the main phone line at 931-245-7000 . This will be forwarded to a person responsible for handling consumer questions and complaints . Again all efforts will be used to follow up this situation and resolve it to the best of our ability . The caller will be notified of the results and any action deemed necessary to resolve the issue to all parties satisfaction .

Phil Fuqua R.T.R.(MR)

Director of Imaging Services

Imaging Department Reporting System

Purpose : To follow the process from time of report dictated to patient contact This will show process for normal reports and how to move abnormal reports to a higher priority in the process .The only exception to this is Mammography . Normal mammograms do not follow this process , abnormal ones will .

Normal Process :

Dictation is done by a Radiologist within 24 hours of exam , except from Friday night till Monday morning which are read on Monday am , and electronically signed then .This generates an electronic report to the referring physician and to the PCP also .The ordering physician , if not Premier , automatically gets a faxed report sent to their office . The requesting PCP now opens his folder electronically to receive the report and document he received it .

Abnormal Finding Process :

The Radiologist will use his/her discretion as to when to use this process as needed for acute problems . This lets the Radiologist decide if an area is indeed as described or something has been missed that may injure or cause the patient more harm with time .

a) Radiologist may change priority on exam to "stat" or " asap "
b) Radiologist will utilize staff to contact patient's PCP or ordering physician to let them know of possible harmful or life threating results.
c) All efforts will be made to put patient in contact with PCP if needed and while patient is still in building .
d) Radiologist may try direct contacting of PCP , if feasible .
e) A nurse note will be sent by front desk personnel electronically
f) If needed a copy of the exam can be generated for patient to take to hospital or specialist via cd/dvd .

Phil Fuqua
Director of Imaging

PREMIER
IMAGING CENTER

Quarterly Radiologist Peer Review Exams

	Pt. Id #	Modality	Exam	Date	Agree/Disagree*
1)					____/____
2)					____/____
3)					____/____
4)					____/____
5)					____/____
6)					____/____
7)					____/____
8)					____/____
9)					____/____
10)					____/____
11)					____/____
12)					____/____

Interpreting physician _____

Reviewing physician _____

Date of Review _____

- **Follow up accessment needed if disagree**
- **Follow up action taken**

_____

_____

_____

- **List exams where disagree is insignificant** _____

_____

_____

Old peer review form

Radiology Peer Review

!st Quarter/2015

Score

Exam

Pt. ID #

Modality

Date

Reader

Reviewer

Outside Reviewer

Reviewing Scale 1=Agree 2=Somewhat Agree 3=Somewhat Disagree 4= Totally Disagree

If disagreement with review of report and exam , please give recommendations for resolution :

If outside review is suggested , please give name of Radiologist reviewing and organization outside Premier .

Were patient HIPAA rights protected and complimentary resolution achieved .

Was patient recalled for repeat exam at request of 1 or more reviewing radiologist or Primary Care Physician

Were results re-examined by all reviewing parties and conclusion agreed upon by all for patient

New rad-peer review

A. DATA FORM FOR WEEKLY MRI EQUIPMENT QUALITY CONTROL

MR Facility Name: Premier Imaging

MR Scanner Identifier: 06315-01

1 Date of Test Year ____	2 Table OK?	3 Console OK?	4 CF (Hz)	5 TX Gain/ Atten-uation (dB)	Phantom Distances (mm) Sag Loc Length 6 H/F (148)	Axial Slice #5 ←Diameters→ 7 A/P (190)	8 R/L (190)	Slice 1 HR Holes # 9 UL	10 LR	Slice # ____ Number of LCD Spokes 11	Artifacts ? 12	Test By 13	NOTES
2014	Action Limits												
Jan	✓	yes	63854173	115	148	190	188	1mm	1mm	6	No	PRF	
Feb	✓	yes	" 4791	111	146	190	192	1	1	5	No		
Mar.	✓	yes	" 4514	119	146	188	191	1	1	6	No		
Apr.	✓	yes	" 4537	120	149	191	191	1	1	6	No		
May	✓	Intercom out	" 4681	113	151	191	188	1	1	6	No		
June	✓	Fixed	" 4785	116	150	189	189	1	1	6	No		
July	✓	yes	" 4584	120	151	191	191	1	1	5	No		
Aug	✓	yes	" 4721	120	149	190	191	1	1	6	No		
Sept	✓	yes	" 4772	120	150	190	190	1	1	6	No		
Oct	✓	yes	" 4253	100	149	189	188	1	1	6	No		
Nov	✓	yes	" 4271	113	148	190	189	1	1	6	No		
Dec	✓	yes	" 4483	115	149	190	189	1	1	6	No		

Reviewed by: _____ Qualified Medical Physicist/MRI Scientist _____ Date of Review

MRI FACILITY QUALITY CONTROL VISUAL CHECKLIST

MR Facility Name December 2014 06355-01 **MR Scanner Identifier** 06355

	Date	1	2	3	4	5	8	9	10	11	12	15	16	17	18	19	22	23	24	25	26	29	30	31
Patient Transport & Magnet	Bed position and other lights	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓	✓	✓
	Alignment light	✓	—	—	—	—	—	—	—	—	—	—	—	—	—	—	✓	✓	✓		✓	✓	✓	✓
	High tension cable/other cables	✓	—	—	—	—	—	—	—	—	—	—	—	—	—	—	✓	✓	✓		✓	✓	✓	✓
	Horizontal smoothness of motion and stability	✓	—	—	—	—	—	—	—	—	—	—	—	—	—	—	✓	✓	✓		✓	✓	✓	✓
	Vertical motion smoothness and stability	✓	—	—	—	✓	✓	—	—	—	✓	✓	—	—	—	✓	✓	✓	✓		✓	✓	✓	✓
Filming and Viewing	Laser Camera (cables, cassettes, lights)																							
	Light Boxes (improper function)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—		—	—	—	—
RF Integrity and Control Room	RF door contacts	✓				✓	✓	—	—	—	✓	✓				✓	✓	✓	✓		✓	✓	✓	✓
	RF window-screen integrity	✓				✓											✓	✓	✓		✓	✓	✓	✓
	Operator console switches/lights/meters	✓				✓											✓	✓	✓		✓	✓	✓	✓
	Patient monitors	✓				✓											✓	✓	F		✓	✓	✓	✓
	Patient intercom	✓				✓											✓	✓	✓		✓	✓	✓	✓
	Room temperature/Room humidity	✓				✓						✓	—	—	—	✓	✓	✓	✓		✓	✓	✓	✓
Facility Safety	Emergency cart	✓	—	—		✓	✓				✓	✓				✓	✓	✓	✓		✓	✓	✓	✓
	Safety warning signage	✓	—	—		✓											✓	✓	✓		✓	✓	✓	✓
	Door indicator switch (if installed)	✓	—	—		✓											✓	✓	✓		✓	✓	✓	✓
	Cryogen level indicator	✓	—	—		✓											✓	✓	✓		✓	✓	✓	✓
	Oxygen monitor	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓	✓	✓
	Pass = ✓ Fail = F Does not apply = NA	Technologist's Initials																						

Reviewed by: _____ _____

Qualified Medical Physicist/MRI Scientist ... of Review

ACR
AMERICAN COLLEGE OF
RADIOLOGY

Validation On-Site Survey Report

January 23, 2015

PRIVILEGED and CONFIDENTIAL • PEER REVIEW
Code of Virginia 8.01-581.17

Patricia Verhulst, M.D.
Premier Medical Group Imaging Center
2831 Wilma Rudolph Blvd.
Clarksville, Tennessee 12265

SUBJECT: Facility ID# 12265, CTAP 3130, MRAP 6355; Premier Medical Group Imaging Center

Dear Dr. Verhulst:

On January 6, 2015, an American College of Radiology (ACR) surveyor conducted a Validation On-Site Survey at your facility. The ACR understands that an on-site survey may be disruptive to your facility so we attempt to review only that which is necessary. The ACR conducts validation site surveys of accredited facilities to monitor compliance with accreditation standards and as part of the Centers for Medicare and Medicaid Services (CMS) requirements under the Medicare Improvements for Patients and providers Act (MIPPA). In addition, the ACR uses this mechanism to provide assistance to your staff in areas where the facility may need help. In order to remain in good standing with the ACR Accreditation Programs and with CMS, facilities must demonstrate their compliance with the appropriate accreditation requirements as relates to appropriate documentation of accreditation requirements, including a quality control program.

Currently, your facility is not in compliance with the standards of the ACR Accreditation Programs. In order to maintain your accreditation in good standing with the ACR and CMS, documentation addressing each of the deficiencies must be submitted to ACR within 60 days of the date appearing on this report. You must also address in your response any deficiency that you are not able to correct within the 60-day period. You may be provided a 30-day extension should you need additional time to make your corrective action.

Below is a summary of the deficiencies identified by the surveyor. Please review the report carefully and share pertinent aspects with all imaging physicians, technologists and medical physicists/MR scientists who work at your facility so that they may also benefit from this visit.

American College of Radiology Accreditation Programs
List of Deficiencies

Area of Deficiency	Deficiency
Personnel documentation for Physicians – CME	Documentation that Dr. Verhulst currently meets the Maintenance of Certification (MOC) requirements for the ABR or ABNM or has 15 hours CME in the prior 36 months specific to the imaging modality or organ system (half of which must be category 1).
Personnel documentation for Physicians – Cont. Experience	Documentation that Dr. Verhulst currently meets the Maintenance of Certification (MOC) in Radiology or Nuclear or read a minimum of 200 studies/3 years in CT and MRI or for physicians reading organ system specific exams (i.e., body, abdominal, musculoskeletal, head) across

	multiple modalities they must read a minimum of 60 organ system specific CT and MRI exams in 36 months. However, they must read a total of 200 *cross-sectional imaging* (MRI, CT, PET/CT and ultrasound) studies over the prior 36 months.
Personnel documentation for Medical Physicists/MR Scientists	Documentation that Mr. Stoner has15 hours CEU/CME (half in category 1) in the prior 36 months and surveyed 2 CT and 2 MR units in the prior 24 months.
Personnel documentation for Technologists	Documentation that S. Queen and C. Romero have a current state license or ARRT certification.
QA/QC evaluation	Documentation that the technologist artifact evaluation, visual checklist and acquisition display QC is performed.
Policy and procedures review	Documentation of a Consumer Complaint policy.
Policy and procedures review	Documentation of a policy on Patient Record Retention/Retrieval (facility must have a process in place for all patients to obtain copies of their records and images that is HIPAA compliant. Patients should be made aware of this process at the time of examination or if requested by the patient at a later date).
Policy and procedures review	Documentation of a policy for primary source verification for all personnel.
Physician peer review program evaluation	Documentation that a peer review program has been established. Sites not using RADPEER must use a program that performs the following functions: • Includes a double reading (2 MDs interpreting the same study) assessment. • Allows for random selection of studies to be reviewed on a regularly scheduled basis. • Exams and procedures representative of the actual clinical practice of each physician. • Reviewer assessment of the agreement of the original report with subsequent review (or with surgical or pathological findings). • A classification of peer review findings with regard to level of quality concerns (One example is a 4-point scoring scale). • Policies and procedures for action to be taken on significant discrepant peer review findings for the purpose of achieving quality outcomes improvement. • Summary statistics and comparisons generated for each physician by imaging modality. • Summary data for each facility/practice by modality. For information about RADPEER or eRADPEER please visit the ACR web site at: http://www.acr.org/Quality-Safety/RADPEER.

Recommendations

Area for Recommendation	Recommendation
Policy and procedures review	Recommend having a policy on the identification and management of pregnant, potentially pregnant or breast-feeding patients.
Policy and procedures review	Recommend developing a contrast media policy to include who may administer intravenous sedatives, controlled agents and contrast agents; document adequate resources to manage a serious contrast reaction and a consent form.
Policy and procedures review	Recommend documenting each employee's completion of the orientation program and any updates to the program.

Policy and procedures review	Recommend developing a policy on maintaining a list of findings that constitute critical test results.
Policy and procedures review	Recommend developing policy and procedures, in accordance with ALARA, to vary examination protocols to take into account patient body habitus such as height and/or weight, body mass index or lateral width.
Policy and procedures review	Recommend developing a policy on MRI safety to include unforeseen ferrous objects, thermal burns, response of personnel during and after a quench, reporting MR accidents to the FDA via their Medwatch Program, visitors in the MR room – Zone IV; the medical director/MR safety officer's name and responsibilities, crash cart location, how to handle emergencies/codes in Zone IV and education for MR staff, non-MR staff and emergency personnel.

We do appreciate the time your staff devoted to spending with our surveyor. In order for the ACR to improve our service to accredited facilities, we would like to hear from you and your staff. Please take a few minutes to complete the enclosed evaluation form and return it at your earliest convenience. We recognize your ongoing commitment to providing quality services for the patients of your community and hope that this direct interaction between the ACR surveyor and your staff was helpful.

Finally, please be aware of the following requirements for facilities accredited with the ACR. As soon as possible, you must update your records on your accreditation home page if your facility:

1. Changes in **supervising physician** (i.e., lead interpreting physician), **facility name, owner** or **address**.
2. Changes (i.e., removes, adds or replaces) units so that we may advise you of the appropriate required testing to maintain accreditation.
3. Changes to your Medicare Enrollment number and/or National Provider Identifier (if applicable).
4. Is permanently closing.

Please call the ACR at (800) 770-0145 if you have any questions about your validation survey report.

Sincerely,

Charles Truwit, M.D.
Chair, Committee on Accreditation

PREMIER
IMAGING CENTER
(931) 245-8622

MRI CONTRAST ADMINISTRATION POLICY :

The purpose of this policy is to establish guidelines for the administration of all Gadolinium-based contrast materials used in the image enhancement of MRI exams and studies . Guidelines that are incompliance with those set forth both by the American College of Radiologists(ACR) and by the Federal Food and Drug Administration(FDA) due to concerns about Nephrogenic Systemic Fibrosis(NSF) .

POLICY : All MRI studies deemed necessary to be completed with the use of Gadolinium based contrast will be ordered by the patients referring physician or that physician whom is currently caring for that patient . That physician will be responsible for knowing or developing a renal profile and function of that patient prior to the date the exam is scheduled to be completed . Determination will be made as to the patients kidney functions and any known renal disease or disorders . These results should accompany the patients orders to be reviewed by the radiologist prior to the exam and contrast administration .

PROCEDURE INSTRUCTIONS :

1) All patients will be screened prior to MRI exams and required to fill out a history and survey sheet.
2) Patients having been determined, by referring physician , to have impaired renal functions will have recent BUN and Creatine levels prior to exam .
3) Patients with Chronic Kidney Disease(CKD) who are a Stage 3-5 , scale by National Kidney Foundation , with a Glomerular Filtration Rate of less than 60 , will be considered for non-contrast studies unless

deemed necessary by radiologist then the lowest dose possible will be administered .

4) The technologist will document the amount given, the rate given, the brand name given, the date given, the injection site, the technologist and radiologist performing procedure .
5) As usual , any reactions or contrast infiltrations will be documented and the radiologist notified .

Approved by : **Date :**

_____ _____

Director Imaging Services

_____ _____

Chief Operations Officer

_____ _____

Chief Medical Officer

Radiology Peer Review

!st Quarter/2015					Score
Exam					
Pt. ID #					
Modality					
Date					
Reader					
Reviewer					
Outside Reviewer					
Reviewing Scale	1=Agree	2=Somewhat Agree	3=Somewhat Disagree	4= Totally Disagree	

If disagreement with review of report and exam , please give recommendations for resolution :

If outside review is suggested , please give name of Radiologist reviewing and organization outside Premier .

Were patient HIPAA rights protected and complimentary resolution achieved .

Was patient recalled for repeat exam at request of 1 or more reviewing radiologist or Primary Care Physician

Were results re-examined by all reviewing parties and conclusion agreed upon by all for patient

ACR®
AMERICAN COLLEGE OF RADIOLOGY

Magnetic Resonance Imaging (MRI) Accreditation Failure Report

December 15, 2014

Privileged and Confidential • Peer Review
Release or disclosure of this document is prohibited
in accordance with Code of Virginia 8.01-581.17

Jeffrey T Wade, M.D.
Premier Medical Group Imaging Center
2831 Wilma Rudolph Blvd.
Clarksville, Tennessee 37040

SUBJECT: MRAP ID# 06355, Premier Medical Group Imaging Center, Unit # 01

Dear Dr. Wade:

This letter is an addendum to the report you received dated July 09, 2014 and contains the results of your unit's REPEAT testing.

The American College of Radiology must FAIL your MRI unit at this time due to one or more deficiencies. Accreditation is only granted if your facility has met all of the testing criteria established by the ACR Committee on MRI Accreditation for 1) clinical image quality and 2) phantom image quality. Your MRI unit's results are presented in the following table:

MRAP ID-Unit #: 06355-01	**Unit Year & Manufacturer: 2006 General Electric**
Clinical Image Quality	
Body	**ACCEPTABLE**
Female Pelvis	ACCEPTABLE
Head	**NOT ACCEPTABLE**
Pituitary with dynamic contrast enhancement	NOT ACCEPTABLE
MRA	**NOT ACCEPTABLE**
High resolution arch and carotid	NOT ACCEPTABLE
Overall Accreditation Outcome	**ACCREDITATION NOT GRANTED**

An MRI unit must have an ACCEPTABLE rating in all the categories listed above to be granted accreditation by the American College of Radiology.
Standardized scoring procedures were used in the review of all images and data submitted for evaluation:

1. The **clinical images** must be passed by two radiologist reviewers in order to receive accreditation. During the review, image quality categories are scored for each required sequence. Additional comments may be provided by the reviewers to further improve image quality. They are recorded in the clinical image evaluation section of this report.

2. The **phantom images** are scored and evaluated by a medical physicist, using standardized evaluation methods. The submitted discs, filmed phantom images, pulse sequence parameters and measured phantom results must be judged to be adequate. Additional comments may be provided by the reviewers to improve image quality. They appear in the phantom evaluation section of this report.

Because this is your unit's second unsuccessful attempt at attaining accreditation, it is regarded as a FAILURE. **The ACR strongly recommends that you cease using this MRI unit upon receipt of this letter.**

Your images will be sent to your facility shortly. Upon receipt of the images you will receive an Accreditation Options form via email from which you should choose your course of action. Because you have **less than one year left on your ACR accreditation,** you have the following options available to continue the accreditation process on this unit:

1. **REINSTATE WITH CORRECTIVE ACTION PLAN -** In order to reinstate you must submit and implement a detailed corrective action plan for those areas marked NOT ACCEPTABLE. In order to initiate the reinstatement process you must complete and submit the following items to the ACR **within 15 days**from the date the Accreditation Options form is sent.
   - Corrective action plan – Carefully review this report and outline a plan to effectively correct those areas that are NOT ACCEPTABLE. The ACR will review your plan to determine if it adequately addresses the identified problems. Once approved, you may implement your plan.
   - Fees

   After your corrective action plan is approved and your site is reinstated, you will be required to submit clinical exams for all module(s) and a phantom for accreditation.

   As soon as possible, you must provide **supporting documentation** (e.g., training certificates, service tickets, etc.) to show that your corrective action plan has been completely implemented. After your corrective action documentation has been reviewed and approved by the ACR, we will reinstate your unit and send you testing materials. **Please note that we will NOT reinstate your facility until all corrective action has been completed, supporting documentation and fees have been received, and we have approved your corrective action.**

   If this unit receives additional deficiencies following reinstatement, the unit FAILS again. **After a second FAILURE, the ACR will require that you take extensive corrective action and participate in an Accreditation Consultation in order to re-enter the accreditation process.** The Accreditation Consultation is conducted so that an ACR review team (consisting of a radiologist, a medical physicist and a radiologic technologist who is a member of the ACR staff) can review your facility's progress and provide on-site training in areas where you may need help. However, this process is time-consuming and the facility is responsible for payment of a consultation fee in addition to all travel expenses incurred by the ACR team.

2. **APPEAL –** In order to appeal the decision of the ACR reviewers, you must submit your request in writing and return the exam(s) resulting in the NOT ACCEPTABLE decision to the ACR **no later than 15 days** from the date the Accreditation Options form is sent. **Only the original images sent resulting in the NOT ACCEPTABLE decision will be accepted.**

3. **WITHDRAW –** You may withdraw if you choose not to continue the accreditation process. Please note that **if you withdraw,** you must remove the ACR accreditation certificate from public display.

The ACR's Committee on MRI Accreditation sincerely hopes you will find the enclosed report helpful in improving image quality at your facility. Please visit the ACR website at www.acr.org or call the ACR MRI Accreditation Information Line at (800) 770-0145 if you have any questions.

Jeffrey T Wade, M.D.
MRAP ID #: 06355-01
December 15, 2014

Sincerely yours,

Anthony J. Scuderi, M.D., Chairman
Committee on MRI Accreditation

I. Clinical Image Evaluation

The following are all of the attributes evaluated by the clinical image reviewers. An "X" next to a specific attribute represents a characteristic that is suboptimal and should be corrected.

FEMALE PELVIS

A. PULSE SEQUENCES AND IMAGE CONTRAST

Deficiency	Sagittal high resolution bright fluid	Axial high resolution bright fluid	Axial whole pelvis dark fluid	Sagittal or axial dark fluid with fat suppression pre contrast	Sagittal or axial dark fluid with fat suppression post contrast
Uterine corpus zonal anatomy not clearly defined	[ ]	[ ]			
Uterine cervix zonal anatomy not clearly defined	[ ]	[ ]			
Images are too grainy	[ ]	[ ]	[ ]	[ ]	[ ]
Low SNR	[ ]	[ ]	[ ]	[ ]	[ ]
Sequence not submitted	[ ]	[ ]	[ ]	[ ]	[ ]
Fat is not hyperintense			[ ]		
Fat is not hypointense				[ ]	[ ]
Insufficient uterine enhancement					[ ]
Parameters do not adequately match pre contrast					[ ]

C. ANATOMIC COVERAGE AND IMAGING PLANES

Deficiency	Sagittal high resolution bright fluid	Axial high resolution bright fluid	Axial whole pelvis dark fluid	Sagittal or axial dark fluid with fat suppression pre contrast	Sagittal or axial dark fluid with fat suppression post contrast
Does not cover uterus, cervix, adnexa and pelvic sidewalls	[ ]				
Does not cover from iliac crests to vaginal introitus		[ ]			
Does not cover pelvic sidewalls		[ ]			
Does not cover entire osseous pelvis R/L and A/P			[ ]		
Axial does not cover entire osseous pelvis R/L and A/P				[ ]	[ ]
Sagittal does not cover uterus, cervix, adnexa and pelvic sidewalls				[ ]	[ ]

D. SPATIAL AND TEMPORAL RESOLUTION

Deficiency	Sagittal high resolution bright fluid	Axial high resolution bright fluid	Axial whole pelvis dark fluid	Sagittal or axial dark fluid with fat suppression pre contrast	Sagittal or axial dark fluid with fat suppression post contrast
Slice thickness > 5.0 mm	[ ]	[ ]	[ ]	[ ]	[ ]
Gap > 1.5 mm	[ ]	[ ]	[ ]	[ ]	[ ]
In plane pixel (read) > 1.0 mm	[X]	[X]			
In plane pixel (phase) > 1.0 mm	[X]	[X]			
Pixel area > 1.0 mm^2	[X]	[X]			
In plane pixel (read) > 1.5 mm			[ ]	[ ]	[ ]
In plane pixel (phase) > 1.5 mm			[X]	[X]	[X]
Pixel area > 2.4 mm^2			[ ]	[ ]	[ ]
Slice thickness > 4.0 mm				[ ]	[ ]
Gap > 0.0 mm				[ ]	[ ]

E. ARTIFACTS

Deficiency	Sagittal high resolution bright fluid	Axial high resolution bright fluid	Axial whole pelvis dark fluid	Sagittal or axial dark fluid with fat suppression pre contrast	Sagittal or axial dark fluid with fat suppression post contrast
Excessive aliasing	[ ]	[ ]	[ ]	[ ]	[ ]
Excessive truncation artifacts	[ ]	[ ]	[ ]	[ ]	[ ]
Excessive black boundary	[ ]	[ ]	[ ]	[ ]	[ ]
Excessive heterogeneous brightness	[ ]	[ ]	[ ]	[ ]	[ ]
Excessive heterogeneous fat suppression	[ ]	[ ]	[ ]	[ ]	[ ]
Excessive susceptibility	[ ]	[ ]	[ ]	[ ]	[ ]
Excessive chemical shift	[ ]	[ ]	[ ]	[ ]	[ ]
Excessive ghosting (including motion)	[ ]	[ ]	[ ]	[ ]	[ ]
Excessive geometric distortion	[ ]	[ ]	[ ]	[ ]	[ ]
Excessive filtering	[ ]	[ ]	[ ]	[ ]	[ ]
Excessive misregistration 2D images	[ ]	[ ]	[ ]	[ ]	[ ]
Excessive misregistration Subtraction Images	[ ]	[ ]	[ ]	[ ]	[ ]
Excessive ringing	[ ]	[ ]	[ ]	[ ]	[ ]
Excessive stair step or Venetian blind artifact	[ ]	[ ]	[ ]	[ ]	[ ]
Excessive reformatting artifacts	[ ]	[ ]	[ ]	[ ]	[ ]
Excessive ECG lead artifacts	[ ]	[ ]	[ ]	[ ]	[ ]
RF leak (zipper artifact)	[ ]	[ ]	[ ]	[ ]	[ ]

F. EXAM IDENTIFICATION: MISSING INFORMATION

Deficiency	Sagittal high resolution bright fluid	Axial high resolution bright fluid	Axial whole pelvis dark fluid	Sagittal or axial dark fluid with fat suppression pre contrast	Sagittal or axial dark fluid with fat suppression post contrast
Patient name (first and last) NOTE: Lack of a patient name is presumably intentional for patient confidentiality	[ ]	[ ]	[ ]	[ ]	[ ]
Patient age or date of birth	[ ]	[ ]	[ ]	[ ]	[ ]
Patient identification number	[ ]	[ ]	[ ]	[ ]	[ ]
Date of examination	[ ]	[ ]	[ ]	[ ]	[ ]
Type of sequence (Reviewer may refer to DICOM tag #0018002 for this information)	[ ]	[ ]	[ ]	[ ]	[ ]
TR	[ ]	[ ]	[ ]	[ ]	[ ]
TE	[ ]	[ ]	[ ]	[ ]	[ ]
TI (if applicable)	[ ]	[ ]	[ ]	[ ]	[ ]
Flip angle (if other than 90 degrees)	[ ]	[ ]	[ ]	[ ]	[ ]
Slice thickness	[ ]	[ ]	[ ]	[ ]	[ ]
Trigger delay (in msec) of image during cardiac cycle	[ ]	[ ]	[ ]	[ ]	[ ]
Interslice gap (may be inferred from slice position)	[ ]	[ ]	[ ]	[ ]	[ ]
Field-of-view	[ ]	[ ]	[ ]	[ ]	[ ]
Acquired matrix (number of frequency encoding steps and number of phase encoding steps)	[ ]	[ ]	[ ]	[ ]	[ ]
Acquisition time (indicated or easily calculated)	[ ]	[ ]	[ ]	[ ]	[ ]
Size scale (e.g., scored lines indicating centimeters)	[ ]	[ ]	[ ]	[ ]	[ ]
Contrast use	[ ]	[ ]	[ ]	[ ]	[ ]
B values	[ ]	[ ]	[ ]	[ ]	[ ]
Location	[ ]	[ ]	[ ]	[ ]	[ ]
Laterality, left or right of midline section	[ ]	[ ]	[ ]	[ ]	[ ]
Label that indicates location of slice relative to other slices	[ ]	[ ]	[ ]	[ ]	[ ]
Facility name	[ ]	[ ]	[ ]	[ ]	[ ]

ADDITIONAL COMMENTS

The spatial resolution is poor.

PITUITARY WITH DYNAMIC CONTRAST ENHANCEMENT

A. PULSE SEQUENCES AND IMAGE CONTRAST

Deficiency	Sagittal dark fluid	Coronal dark fluid	Coronal dynamic dark fluid pre/post contrast	Sagittal dark fluid post contrast	Coronal dark fluid post contrast
Poor brain-CSF discrimination	[ ]	[ ]	[ ]	[ ]	[ ]
Images are too grainy	[ ]	[ ]	[ ]	[ ]	[ ]
Low SNR	[ ]	[ ]	[ ]	[ ]	[ ]
Sequence not submitted	[ ]	[ ]	[X]	[ ]	[ ]
< 5 sets of images in the sequence			[ ]		
Sequence does not include one pre contrast set of images			[ ]		
IV contrast			[ ]		
• Too late			[ ]		
• Too early			[ ]		

B. FILMING TECHNIQUE

Deficiency	Sagittal dark fluid	Coronal dark fluid	Coronal dynamic dark fluid pre/post contrast	Sagittal dark fluid post contrast	Coronal dark fluid post contrast
Perceived contrast is too high	[ ]	[ ]	[ ]	[ ]	[ ]
Perceived contrast is too low	[ ]	[ ]	[ ]	[ ]	[ ]
Format and image size are inadequate-increase mag factor	[ ]	[ ]	[ ]	[ ]	[ ]
Format and image size are inadequate-decrease mag factor	[ ]	[ ]	[ ]	[ ]	[ ]
Film fogged	[ ]	[ ]	[ ]	[ ]	[ ]
Density is too high	[ ]	[ ]	[ ]	[ ]	[ ]
Density is too low	[ ]	[ ]	[ ]	[ ]	[ ]

C. ANATOMIC COVERAGE AND IMAGING PLANES

Deficiency	Sagittal dark fluid	Coronal dark fluid	Coronal dynamic dark fluid pre/post contrast	Sagittal dark fluid post contrast	Coronal dark fluid post contrast
Does not cover medial temporal lobe to medial temporal lobe	[ ]			[ ]	
Does not cover orbital apex to dorsum sella		[ ]			[ ]
Temporal Resolution > 30 sec			[ ]		

D. SPATIAL RESOLUTION AND TEMPORAL RESOLUTION

Deficiency	Sagittal dark fluid	Coronal dark fluid	Coronal dynamic dark fluid pre/post contrast	Sagittal dark fluid post contrast	Coronal dark fluid post contrast
Slice thickness > 3.3 mm	[ ]	[ ]	[ ]	[ ]	[ ]
Gap > 0.3 mm	[X]	[ ]	[ ]	[ ]	[ ]
In plane pixel (read) > 0.7 mm	[ ]	[ ]		[ ]	[ ]
In plane pixel (phase) > 0.9 mm	[X]	[ ]		[ ]	[ ]

Pixel area > 0.6 mm^2	[X]	[ ]		[X]	[ ]
In plane pixel (read) > 1.4 mm			[ ]		
In plane pixel (phase) > 1.4 mm			[ ]		
Pixel area > 1.96 mm^2			[ ]		
Temporal Resolution > 30 sec			[ ]		

E. ARTIFACTS

Deficiency	Sagittal dark fluid	Coronal dark fluid	Coronal dynamic dark fluid pre/post contrast	Sagittal dark fluid post contrast	Coronal dark fluid post contrast
Excessive aliasing	[ ]	[ ]	[ ]	[ ]	[ ]
Excessive truncation artifacts	[ ]	[ ]	[ ]	[ ]	[ ]
Excessive black boundary	[ ]	[ ]	[ ]	[ ]	[ ]
Excessive heterogeneous brightness	[ ]	[ ]	[ ]	[ ]	[ ]
Excessive heterogeneous fat suppression	[ ]	[ ]	[ ]	[ ]	[ ]
Excessive susceptibility	[ ]	[ ]	[ ]	[ ]	[ ]
Excessive chemical shift	[ ]	[ ]	[ ]	[ ]	[ ]
Excessive ghosting (including motion)	[ ]	[ ]	[ ]	[ ]	[ ]
Excessive geometric distortion	[ ]	[ ]	[ ]	[ ]	[ ]
Excessive filtering	[ ]	[ ]	[ ]	[ ]	[ ]
Excessive misregistration 2D images	[ ]	[ ]	[ ]	[ ]	[ ]
Excessive misregistration Subtraction Images	[ ]	[ ]	[ ]	[ ]	[ ]
Excessive ringing	[ ]	[ ]	[ ]	[ ]	[ ]
Excessive stair step or Venetian blind artifact	[ ]	[ ]	[ ]	[ ]	[ ]
Excessive reformatting artifacts	[ ]	[ ]	[ ]	[ ]	[ ]
Excessive ECG lead artifacts	[ ]	[ ]	[ ]	[ ]	[ ]
RF leak (zipper artifact)	[ ]	[ ]	[ ]	[ ]	[ ]

F. EXAM IDENTIFICATION: MISSING INFORMATION

Deficiency	Sagittal dark fluid	Coronal dark fluid	Coronal dynamic dark fluid pre/post contrast	Sagittal dark fluid post contrast	Coronal dark fluid post contrast
Patient name (first and last) NOTE: Lack of a patient name is presumably intentional for patient confidentiality	[ ]	[ ]	[ ]	[ ]	[ ]
Patient age or date of birth	[ ]	[ ]	[ ]	[ ]	[ ]
Patient identification number	[ ]	[ ]	[ ]	[ ]	[ ]
Date of examination	[ ]	[ ]	[ ]	[ ]	[ ]
Type of sequence (Reviewer may refer to DICOM tag #0018002 for this information)	[ ]	[ ]	[ ]	[ ]	[ ]
TR	[ ]	[ ]	[ ]	[ ]	[ ]
TE	[ ]	[ ]	[ ]	[ ]	[ ]
TI (if applicable)	[ ]	[ ]	[ ]	[ ]	[ ]
Flip angle (if other than 90 degrees)	[ ]	[ ]	[ ]	[ ]	[ ]
Slice thickness	[ ]	[ ]	[ ]	[ ]	[ ]
Trigger delay (in msec) of image during cardiac cycle	[ ]	[ ]	[ ]	[ ]	[ ]
Interslice gap (may be inferred from slice position)	[ ]	[ ]	[ ]	[ ]	[ ]
Field-of-view	[ ]	[ ]	[ ]	[ ]	[ ]
Acquired matrix (number of frequency encoding steps and number of phase encoding steps)	[ ]	[ ]	[ ]	[ ]	[ ]
Acquisition time (indicated or easily calculated)	[ ]	[ ]	[ ]	[ ]	[ ]
Size scale (e.g., scored lines indicating centimeters)	[ ]	[ ]	[ ]	[ ]	[ ]
Contrast use	[ ]	[ ]	[ ]	[ ]	[ ]
B values	[ ]	[ ]	[ ]	[ ]	[ ]
Location	[ ]	[ ]	[ ]	[ ]	[ ]
Laterality, left or right of midline section	[ ]	[ ]	[ ]	[ ]	[ ]
Label that indicates location of slice relative to other slices	[ ]	[ ]	[ ]	[ ]	[ ]
Facility name	[ ]	[ ]	[ ]	[ ]	[ ]

ADDITIONAL COMMENTS

The dynamic post contrast series was not submitted. Please refer to the ***Clinical Image Quality Guide***.

HIGH RESOLUTION ARCH AND CAROTID

A. PULSE SEQUENCES AND IMAGE CONTRAST

Deficiency	3D post contrast source images	Reformatted images (angiographic images)
Poor artery to background contrast	[X]	[X]
Incorrect bolus timing	[X]	
Non uniform artery signal /Excessive intra-voxel phase dispersion	[ ]	[ ]
Excessive venous enhancement	[X]	[X]
Images are too grainy	[ ]	[ ]
Low SNR	[X]	[ ]
Sequence not submitted	[ ]	[ ]

C. ANATOMIC COVERAGE AND IMAGING PLANES

Deficiency	3D post contrast source images	Reformatted images (angiographic images)
Does not cover Aortic Arch	[ ]	
Does not cover Innominant Artery	[ ]	
Does not cover Common Carotid Artery	[ ]	
• Right	[ ]	
• Left	[ ]	
Does not cover Carotid Bifurcation	[ ]	
• Right	[ ]	
• Left	[ ]	
Does not cover Subclavian Artery	[ ]	
• Right	[ ]	
• Left	[ ]	
Does not cover vertebral arteries	[ ]	
• Right	[ ]	
• Left	[ ]	
Does not cover Basilar Artery	[ ]	
Does not cover Circle of Willis	[ ]	
Does not display Aortic Arch in multiple views		[ ]
Does not display Innominant Artery in multiple views		[ ]
Does not display Common Carotid Artery in multiple views		[ ]
• Right		[ ]
• Left		[ ]
Does not display Carotid Bifurcation in multiple views		[X]
• Right		[X]
• Left		[X]
Does not display Subclavian Artery in multiple views		[ ]
• Right		[ ]
• Left		[ ]
Does not display vertebral arteries in multiple views		[ ]
• Right		[ ]
• Left		[ ]
Does not display Basilar Artery in multiple views		[ ]
Does not display Circle of Willis in multiple views		[ ]

D. SPATIAL RESOLUTION AND TEMPORAL RESOLUTION

Deficiency	3D post contrast source images	
Slice thickness > 1.5 mm	[ ]	
Reconstructed slice interval > 0.75 mm	[X]	
In plane pixel (read) > 1.0 mm	[X]	
In plane pixel (phase) > 2.0 mm	[ ]	
Voxel volume > 3.0 mm^3	[ ]	

E. ARTIFACTS

Deficiency	3D post contrast source images	Reformatted images (angiographic images)
Excessive aliasing	[ ]	[ ]
Excessive truncation artifacts	[ ]	[ ]
Excessive black boundary	[ ]	[ ]
Excessive heterogeneous brightness	[ ]	[ ]
Excessive heterogeneous fat suppression	[ ]	[ ]
Excessive susceptibility	[ ]	[ ]
Excessive chemical shift	[ ]	[ ]
Excessive ghosting (including motion)	[ ]	[ ]
Excessive geometric distortion	[ ]	[ ]
Excessive filtering	[ ]	[ ]
Excessive misregistration 2D images	[ ]	[ ]
Excessive misregistration Subtraction Images	[ ]	[ ]
Excessive ringing	[ ]	[ ]
Excessive stair step or Venetian blind artifact	[ ]	[ ]
Excessive reformatting artifacts	[ ]	[ ]
Excessive ECG lead artifacts	[ ]	[ ]
RF leak (zipper artifact)	[ ]	[ ]

F. EXAM IDENTIFICATION: MISSING INFORMATION

Deficiency	3D post contrast source images	Reformatted images (angiographic images)
Patient name (first and last) NOTE: Lack of a patient name is presumably intentional for patient confidentiality	[ ]	[ ]
Patient age or date of birth	[ ]	[ ]
Patient identification number	[ ]	[ ]
Date of examination	[ ]	[ ]
Type of sequence (Reviewer may refer to DICOM tag #0018002 for this information)	[ ]	[ ]
TR	[ ]	[ ]
TE	[ ]	[ ]
TI (if applicable)	[ ]	[ ]
Flip angle (if other than 90 degrees)	[ ]	[ ]
Slice thickness	[ ]	[ ]
Trigger delay (in msec) of image during cardiac cycle	[ ]	[ ]
Interslice gap (may be inferred from slice position)	[ ]	[ ]
Field-of-view	[ ]	[ ]
Acquired matrix (number of frequency encoding steps and number of phase encoding steps)	[ ]	[ ]
Acquisition time (indicated or easily calculated)	[ ]	[ ]
Size scale (e.g., scored lines indicating centimeters)	[ ]	[ ]
Contrast use	[ ]	[ ]
B values	[ ]	[ ]
Location	[ ]	[ ]
Laterality, left or right of midline section	[ ]	[ ]
Label that indicates location of slice relative to other slices	[ ]	[ ]
Facility name	[ ]	[ ]

ADDITIONAL COMMENTS

There is excessive venous enhancement and poor enhancement of central arterial structures.

The read pixel size should not be larger than 1.0 mm.

The right and left carotid bifurcation must be MIP'd separately. All reformatted images must be MIP'd from the contrast enhanced source images.

There is poor SNR in the lower 1/3 of the imaging volume is due to selection of the suboptimal coil configuration. The recommendation is to use 8NVANGIO_A instead of 8NV HEAD NECK_A.

The FOV entered in the clinical data sheet is incorrect. The true FOV is 30 cm in the frequency direction not 20 cm.

AFFIDAVIT

STATE OF Tennessee

COUNTY OF Montgomery

Lloyd E. Matson, being first duly sworn, says that he/she is the applicant named in this application or his/her/its lawful agent, that this project will be completed in accordance with the application, that the applicant has read the directions to this application, the Rules of the Health Services and Development Agency, and T.C.A. § 68-11-1601, *et seq.*, and that the responses to this application or any other questions deemed appropriate by the Health Services and Development Agency are true and complete.

SIGNATURE/TITLE

Sworn to and subscribed before me this 7th day of May (Month), 2015 (Year) a Notary Public in and for the County/State of Montgomery County, Tennessee.

Lesa S. Goder
NOTARY PUBLIC

My commission expires 9-16 (Month/Day), 2015 (Year).

LESA S. GODER
NOTARY PUBLIC AT LARGE
MONTGOMERY CO. TENN.

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

June 1, 2015

Lloyd E. Matson
Premier Medical Group PC
1850 Business Park Drive Suite 110-A
Clarksville, TN 37040

RE: Certificate of Need Application -- Premier Medical Group, PC - CN1505-016
A multi-specialty medical group seeks approval to relocate its existing MRI service limited to use by the physicians and patients of the practice as approved in CN9909-082A. The project focuses on the relocation of the MRI to the new practice location which will be in leased space in a new building under construction, a distance of not more than 2 miles from the existing site and the lease of a new 1.5 Tesla GE MRI unit. The project cost is $2,064,060.

Dear Mr. Matson:

This is to acknowledge the receipt of supplemental information to your application for a Certificate of Need. Please be advised that your application is now considered to be complete by this office.

Your application is being forwarded to Trent Sansing at the Tennessee Department of Health for Certificate of Need review by the Division of Policy, Planning and Assessment. You may be contacted by Mr. Sansing or someone from his office for additional clarification while the application is under review by the Department. Mr. Sansing's contact information is Trent.Sansing@tn.gov or 615-253-4702.

In accordance with Tennessee Code Annotated, §68-11-1601, et seq., as amended by Public Chapter 780, the 60-day review cycle for this project will begin on June 1, 2015. The first 60 days of the cycle are assigned to the Department of Health, during which time a public hearing may be held on your application. You will be contacted by a representative from this Agency to establish the date, time and place of the hearing should one be requested. At the end of the 60-day period, a written report from the Department of Health or its representative will be forwarded to this office for Agency review within the 30-day period immediately following. You will receive a copy of their findings. The Health Services and Development Agency will review your application on August 26, 2015.

Any communication regarding projects under consideration by the Health Services and Development Agency shall be in accordance with T.C.A. § 68-11-1607(d):

(1) No communications are permitted with the members of the agency once the Letter of Intent initiating the application process is filed with the agency. Communications between agency members and agency staff shall not be prohibited. Any communication received by an agency member from a person unrelated to the applicant or party opposing the application shall be reported to the Executive Director and a written summary of such communication shall be made part of the certificate of need file.

(2) All communications between the contact person or legal counsel for the applicant and the Executive Director or agency staff after an application is deemed complete and placed in the review cycle are prohibited unless submitted in writing or confirmed in writing and made part of the certificate of need application file. Communications for the purposes of clarification of facts and issues that may arise after an application has been deemed complete and initiated by the Executive Director or agency staff are not prohibited.

Should you have questions or require additional information, please contact me.

Sincerely,

Melanie M. Hill
Executive Director

cc: Trent Sansing, TDH/Health Statistics, PPA

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

MEMORANDUM

TO: Trent Sansing, CON Director
Office of Policy, Planning and Assessment
Division of Health Statistics
Andrew Johnson Tower, 2nd Floor
710 James Robertson Parkway
Nashville, Tennessee 37243

FROM: Melanie M. Hill
Executive Director

DATE: June 1, 2015

RE: Certificate of Need Application
Premier Medical Group, PC - CN1505-016

Please find enclosed an application for a Certificate of Need for the above-referenced project.

This application has undergone initial review by this office and has been deemed complete. It is being forwarded to your agency for a 60-day review period to begin on June 1, 2015 and end on August 1, 2015.

Should there be any questions regarding this application or the review cycle, please contact this office.

Enclosure

cc: Lloyd E. Matson

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

LETTER OF INTENT

The Publication of Intent is to be published in the The Leaf Chronicle (Name of Newspaper) which is a newspaper of general circulation in Clarksville, Montgomery County (County), Tennessee, on or before May 7, (Month / day), 2015 (Year), for one day.

This is to provide official notice to the Health Services and Development Agency and all interested parties, in accordance with T.C.A. § 68-11-1601 *et seq.*, and the Rules of the Health Services and Development Agency, that:

Premier Medical Group, PC (Name of Applicant) Current CON: CN9909-082A (Facility Type-Existing)

owned by: Premier Medical Group, P.C. with an ownership type of Corporation

and to be managed by: Premier Medical Group, P.C. intends to file an application for a Certificate of Need for [PROJECT DESCRIPTION BEGINS HERE]: CON: CN9909-082A move from current location to new leased location, 490 Dunlop Lane, Clarksville, TN. MRI equipment under current CON will be replaced with new MRI equipment at new location. Total estimated project cost is $4,060,238.

The anticipated date of filing the application is: May 7, 2015

The contact person for this project is Lloyd E. Matson (Contact Name) Chief Administrator (Title)

who may be reached at: Premier Medical Group, P.C., (Company Name) P. O. Box 3799 (Address)

Clarksville (City) TN (State) 37043 (Zip Code) (931) 245-7001 (Area Code / Phone Number)

(Signature) May 7, 2015 (Date) lloydm@premiermed.com (E-mail Address)

The Letter of Intent must be filed in triplicate and received between the first and the tenth day of the month. If the last day for filing is a Saturday, Sunday or State Holiday, filing must occur on the preceding business day. File this form at the following address:

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

The published Letter of Intent must contain the following statement pursuant to T.C.A. § 68-11-1607(c)(1). (A) Any health care institution wishing to oppose a Certificate of Need application must file a written notice with the Health Services and Development Agency no later than fifteen (15) days before the regularly scheduled Health Services and Development Agency meeting at which the application is originally scheduled; and (B) Any other person wishing to oppose the application must file written objection with the Health Services and Development Agency at or prior to the consideration of the application by the Agency.

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

MAY 7 5 PM 2015

PUBLICATION OF INTENT

The following shall be published in the "Legal Notices" section of the newspaper in a space no smaller than two (2) columns by two (2) inches.

NOTIFICATION OF INTENT TO APPLY FOR A CERTIFICATE OF NEED

This is to provide official notice to the Health Services and Development Agency and all interested parties, in accordance with T.C.A. § 68-11-1601 *et seq.,* and the Rules of the Health Services and Development Agency, that:

Premier Medical Group, P.C., Current CON: CN9909-082A
(Name of Applicant) (Facility Type-Existing)

owned by: Premier Medical Group, P.C. with an ownership type of Corporation

and to be managed by: Premier Medical Group, P.C. intends to file an application for a Certificate of Need for [PROJECT DESCRIPTION BEGINS HERE]: CON: CN9909-082A move from current location to new leased location, 490 Dunlop Lane, Clarksville, TN. MRI equipment under current CON will be replaced with new MRI equipment at new location. Total estimated project cost is $4,060,238.

The anticipated date of filing the application is May 7, , 2015

The contact person for this project is Lloyd E. Matson (Contact Name) Chief Administrator (Title)

who may be reached at: Premier Medical Group, P.C. (Company Name) P. O. Box 3799 (Address)

Clarksville (City) TN (State) 37043 (Zip Code) (931) 245-7001 (Area Code / Phone Number)

Upon written request by interested parties, a local Fact-Finding public hearing shall be conducted. Written requests for hearing should be sent to:

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

The published Letter of Intent must contain the following statement pursuant to T.C.A. § 68-11-1607(c)(1). (A) Any health care institution wishing to oppose a Certificate of Need application must file a written notice with the Health Services and Development Agency no later than fifteen (15) days before the regularly scheduled Health Services and Development Agency meeting at which the application is originally scheduled; and (B) Any other person wishing to oppose the application must file written objection with the Health Services and Development Agency at or prior to the consideration of the application by the Agency.

Deputy Clerk
Attorney for Plaintiff:
Jenna L. Foreman
127 South 3rd St. Clarksville, TN 37040
Insertion Dates: April 21, 28, May 5, 12, 2015

0000423967

IN THE CHANCERY COURT OF MONTGOMERY COUNTY, TENNESSEE AT CLARKSVILLE PROBATE DIVISION

CASE NO. MC CH CV PB 15-0000098

NOTICE TO CREDITORS

ESTATE OF BARBARA ECKMAN (Deceased)

Continued to next column

copy of the notice less than sixty (60) days prior to the date that is four (4) months from the date of the first publication as described in (1)(A); or
(2)Twelve (12) months from the decedent's date of death.
This 21st day of April, 2015.
DORIS SUE CISCO, EXECUTRIX
Attorney for the Estate:
ROBERT H. MOYER
408 FRANKLIN STREET
CLARKSVILLE, TN 37040
Clerk: JHHINKLE
Insertion Dates: 4/30/15 & 5/7/2015

0000445572

NOTIFICATION OF INTENT TO APPLY FOR A CERTIFICATE OF NEED

This is to provide official notice to the Health Services and Development Agency and all interested parties, in accordance with T.C.A. § 68-11-1601 et seq., and the Rules of the Health Services and Development Agency, that:
Premier Medical Group, P.C., Current CON: CN9909-082A owned by: Premier Medical Group, P.C. with an ownership type of Corporation and to be managed by: Premier Medical Group, P.C. intends to file an application for a Certificate of Need for CON: CN9909-082A move from current location to new leased location, 490 Dunlop Lane, Clarksville, TN. MRI equipment under current CON will be replaced with new MRI equipment at new location. Total estimated project cost is $4,060,238.
The anticipated date of filing the application is May 7, 2015
The contact person for this project is Lloyd E. Matson, Chief Administrator who may be reached at: Premier Medical Group, P.C., P. O. Box 3799, Clarksville TN 37043 (931) 245-7001
Upon written request by interested parties, a local Fact-Finding public hearing shall be conducted. Written requests for hearing should be sent to:
Health Services and Development Agency
Andrew Jackson Building, 9th Floor
502 Deaderick Street
Nashville, Tennessee 37243
The published Letter of Intent must contain the following statement pursuant to T.C.A. § 68-11-1607(c)(1). (A) Any health care institution wishing to oppose a Certificate of Need application must file a written notice with the Health Services and Development Agency no later than fifteen (15) days before the regularly scheduled Health Services and Development Agency meeting at which the application is originally scheduled; and (B) Any other person wishing to oppose the application must file written objection with the Health Services and Development Agency at or prior to the consideration of the application by the Agency.

above date, judgment by default may be rendered against you for the relief demanded in the complaint.
Issued: APRIL 16, 2015
Ted A. Crozier Jr., Clerk and Master
By Freida Travis
Deputy C&M
Attorney for Plaintiff
BIGGS, JOHN MICHAEL
503 MADISON STREET
CLARKSVILLE, TN 37040
April 30, & May 7, 14, 21, 2015

0000424557

IN THE CHANCERY COURT OF MONTGOMERY COUNTY, TENNESSEE AT CLARKSVILLE PROBATE DIVISION

CASE NO. MC CH CV PB 15-0000075

NOTICE TO CREDITORS

ESTATE OF YOLANDA T. JACOBS (Deceased)

Notice is hereby given that on the 17th day of April, 2015, Letters of Administration in respect of the Estate of YOLANDA T. JACOBS, who died 11/08/14, were issued to the undersigned by the Chancery-Probate Court of Montgomery County, Tennessee.
All persons, resident and non-resident, having claims, matured or unmatured, against said estate are required to file the same with the Clerk of the above-named Court within the earlier of four (4) months from the date of the first publication of this notice, or twelve (12) months from the decendent's date of death, otherwise their claims will be forever barred.
(1)(A) Four (4) months from the date of the first publication of this notice if the creditor received an actual copy of the notice to creditors at least sixty (60) days before the date that is four (4) months from the date of the first publication; or
(B) Sixty (60) days

Continued to next column

April, 2015, Letters of Administration in respect of the Estate of TEODORO HERNANDEZ-CRUZ, who died 07/27/14, were issued to the undersigned by the Chancery-Probate Court of Montgomery County, Tennessee.
All persons, resident and non-resident, having claims, matured or unmatured, against said estate are required to file the same with the Clerk of the above-named Court within the earlier of four (4) months from the date of the first publication of this notice, or twelve (12) months from the decendent's date of death, otherwise their claims will be forever barred.
(1)(A) Four (4) months from the date of the first publication of this notice if the creditor received an actual copy of the notice to creditors at least sixty (60) days before the date that is four (4) months from the date of the first publication; or
(B) Sixty (60) days from the date the creditor received an actual copy of the notice to creditors, if the creditor received a copy of the notice less than sixty (60) days prior to the date that is four (4) months from the date of the first publication as described in (1)(A); or
(2)Twelve (12) months from the decedent's date of death.
This 22nd day of April, 2015.
HILDA HERNANDEZ, ADMINISTRATRIX CTA
Attorney for the Estate:
JOHN M. BIGGS
503 MADISON STREET
CLARKSVILLE, TN 37040
Clerk: JHHINKLE
Insertion Dates: 4/30/15 & 5/07/2015

Wanted: A car that gets compliments, not smirks.
Find what you want in
The Leaf-Chronicle Classifieds.
cars.com

Act).
The right is reserved to adjourn the day of the sale to another day, time and place certain without further publication, upon announcement at the time and place set forth above.
The property address of the real estate that is the subject of this notice is 69 West Washington Street, Clarksville, Tennessee 37040 (MP 066J-E-011.00). The reference to the property address and property identification is provided for convenience only. The above-referenced sale will be transferring the property as described in the Deed of Trust, and any discrepancies between the Deed of Trust and the property address/property identification will be governed by the Deed of Trust.
OTHER INTERESTED PARTIES: Capital One Bank (USA), N.A.
C/O Bart Lloyd, Esq
Nathan & Nathan, P.C.
This the 23rd day of April, 2015.
TRUSTEE:
JONATHAN R. VINSON
Jonathan R. Vinson
P.O. Box 686
Clarksville, Tennessee 37041-0686
INSERTION DATES:
April 30, 2015
May 7, 2015
May 14, 2015

0000440929

NOTICE OF FORECLOSURE SALE OF REAL ESTATE

On June 17, 2011, by Deed of Trust placed of record on June 23, 2011 at 10:24 a.m., in Official Record Book Volume 1389, Page 1417, in the office of the Register of Deeds for Montgomery County, Tennessee, (the "Deed of Trust"), Cathy Pennington (the "Mortgagor") conveyed to Jonathan R. Vinson, Trustee, (the "Trustee") the hereinafter described real estate, to secure the payment of a promissory note as descri-

Continued to next column

subject of this noti
1227 Southern Park
Clarksville, TN 37040
079P-C-018.00). The
ence to the property
dress and property i
fication is provided
convenience only.
above-referenced sal
be transferring the
erty as described i
Deed of Trust, and
discrepancies betwee
Deed of Trust and
property address/pro
identification will be
erned by the Dee
Trust.
OTHER INTERES
PARTIES: None
This the 4th day of
2015.
TRUSTEE:
JONATHAN R. VINS
Jonathan R. Vinson
P.O. Box 686
Clarksville, Tenne
37041-0686
INSERTION DA
May 7, 2015
May 14, 2015
May 21, 2015

0000442384

NOTICE OF MEETI

THE PUBLIC BU
ING AUTHORITY
THE CITY OF CLA
VILLE, TENNE
(the "Authority"),
meet in special publi
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local time, on Wedne
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SUPPLEMENTAL - #2 ORIGINAL

Premier Medical Group, PC

CN1505-016

SUPPLEMENTAL

SUPPLEMENTAL INFORMATION

RESPONSE

Premier Medical Group, PC

RE: Certificate of Need Application CN1505-016
Premier Medical Group – Relation of MRI Service approved in CN9909-082A

SUPPLEMENTAL

1. **Section B, Project Description, Item I and Section C, Need, Item 3 (Service Area)**

The data provided in the table is noted; however it is not clear as to whether the data matches fully with the column header. Please provide the information and data for the revised table below:

Response:
See Table Below:

MRI Service Area Utilization Trends

Column	A	B	C	D	E	F
Year	Applicant's Total MRI Procedures	Montgomery County Resident Procedures performed by Applicant	Montgomery Resident Procedures as a % of Total Applicant Procedures (B/A)	Total Montgomery County Resident Procedures	Montgomery Co. Resident Procedures at Montgomery Co. Providers	% of Montgomery Co. Residents having MRI procedures at Montgomery Co. Facilities (E/D)
2013	1386	1209	87.23%	14162	10045	70.92%
2012	1426	1215	85.20%	13507	9384	69.48%
2011	1494	1175	78.65%	13620	9904	72.72%

SUPPLEMENTAL

3. **Section C, Need. Item 6 (Applicant's Projected Utilization)**

Your response regarding payor mix is noted. Please explain the payor mix variations between gross charges and gross revenue.

Response:

The Premier Medical Group, PC Global Gross Charge amount for each MRI study is the same charge to each Payor.

Medicare, TennCare, TriCare and TN Workers Comp have a set Allowable amount for each MRI procedure set by government agencies. These Allowables (amounts we get paid by the Payor and Patient) are not negotiable.

To participate with Commercial Payors, Premier Medical Group, PC negotiates Participation Agreements with each Commercial Payor. Each Commercial Participation Agreement may have different Allowables for MRI services. Typically Commercial Allowable amounts are greater than reimbursement from government agency's Allowables.

SUPPLEMENTAL

4. Section C, Economic Feasibility Item 1 (Project Costs Chart)

The following definition regarding major medical equipment cost in Tennessee Health Services and Development Agency Rule 0720-9-.01 (13)(d) states " If the acquisition is by lease, the cost is either the fair market value of the equipment , or the total amount of the lease payments, whichever is greater."

Based upon the above rule please make any applicable changes, if necessary, and submit a revised Project Costs Chart.

Response:
The lease payments take into account both the base lease payment as well as sales tax and maintenance fees (which are all payments due under the lease). Including all payments due under the lease totals $1,554,771. The fair market value of the equipment is only $954,044. The greater number is therefore the total amount of the lease payments.

5. **Section C, Economic Feasibility, Item 4. (Projected Data Chart)**

Line D.9 "Other Expenses" – Your response is noted. Please complete the following chart.

Response:
See chart below:

PROJECTED DATA CHART-OTHER EXPENSES

OTHER EXPENSES CATEGORIES	Year 2015	Year 2016
1. _Telephone Expense _____	$ 600	$ 600
2. _ Billing Allocated Costs _____	44,341	44,341
3. __Group Overhead Allocation __	20,106	20,106
4. __Imaging Overhead Allocation_	47,517	47,517
5. __Maintenance_____	194,174	142,310
6. _____	_____	_____
7. _____	_____	_____
Total Other Expenses	**$306,738**	**$257,285**

SUPPLEMENTAL

2. **Section C, Need, Item 5**

The response to this item is noted. Please submit a replacement page noted as 10-R with the following

Provider and Resident MRI Volumes-Montgomery County, 2011-2013

MRI Provider	Distance from Applicant	Total procedures 2011	Total procedures 2012	Total procedures 2013	% Change '11-'13	# Montgomery Co. Resident Procedures (2013)	Montgomery Resident Procedures as a % of Total
Clarksville Imaging Center, LLC	2.33 Miles	3,803	4,119	4,276	12.44%	2,930	68.5%
Gateway Medical Center	.47 miles	5,426	5,242	4,432	-18.32%	3,310	74.7%
Mobile MRI Services, LLC	.46 miles	0	1,129	1,404	NA	1,179	84.0%
Tennessee Orthopedic Alliance	6.68 miles	2,007	1,915	1,932	-3.74%	1,417	73.3%
Premier Medical Group	Applicant	1,494	1,426	1,386	-7.23	1,209	87.2%
Total		**12,730**	**13,831**	**13,430**	**5.5%**	**10,045**	**74.8%**

SUPPLEMENTAL

AFFIDAVIT

STATE OF TENNESSEE

COUNTY OF Montgomery

NAME OF FACILITY: Premier Medical Group, PC

I, Lloyd E. Matson, after first being duly sworn, state under oath that I am the applicant named in this Certificate of Need application or the lawful agent thereof, that I have reviewed all of the supplemental information submitted herewith, and that it is true, accurate, and complete.

Signature/Title

Sworn to and subscribed before me, a Notary Public, this the 26th day of May, 2015, witness my hand at office in the County of Montgomery, State of Tennessee.

NOTARY PUBLIC

My commission expires 9-16, 2015.

S. GODER NOTARY PUBLIC AT LARGE MONTGOMERY CO. TENN.

HF-0043

Revised 7/02

SUPPLEMENTAL - #3 ORIGINAL

Premier Medical Group

CN1505-016

SUPPLEMENTAL

SUPPLEMENTAL INFORMATION RESPONSE

Premier Medical Group, PC

RE: Certificate of Need Application CN1505-016
Premier Medical Group, PC – Relocation of MRI Service approved in CN9909-082A

1. **Section C, Need. Item 6 (Applicant's Projected Utilization)**

Your response regarding payor mix is noted. To help facilitate the comparison of projected revenue by payor source, HSDA staff has revised the headings in the table. Please complete the revised table below.

Response:
See Table Below:

MRI Service Payor Mix, Year 1

Payor Source	Projected MRI Procedures	Gross Operating Revenue	as a % of Total Gross Revenue	Average Gross Charge per MRI procedure
Medicare	312	$167,195	10.52%	$1371.91
Tenncare	111	$ 59,713	5.57%	$1226.96
Managed care				
Commercial	807	$432,645	74.54%	$1278.55
Self-Pay	41	$ 21,714	2.34%	$1147.10
Other	198	$106,396	7.03%	$1249.58
Total	1469	$787,663	100%	$1286.92

SUPPLEMENTAL

2. **Section C, Economic Feasibility Item 1 (Project Costs Chart)**

The corrected chart noting a change from the original total project cost of $4,060,238 to a revised total project cost of $2,064,060 based on the terms of the May 20, 2015 vendor Letter of Intent is noted. The change in the total cost has also reduced the filing fee from $9,115 to $4,634. As a result, a refund from HSDA in the amount of $4,481.00 has been requested and will be processed as soon as possible once approved by the HSDA Executive Director.

Thank you for addressing the changes and revising the total project cost. No further response for this item is necessary.

Response:
No response required.

3. **Section C, Economic Feasibility, Item 4. (Projected Data Chart)**

Your response is noted. Review of the May 20, 2015 vendor Letter of Intent identified an annual MRI equipment lease cost of $178,212 ($14,851 x 12 months) and an annual MRI maintenance cost of $115,800 ($9,650 x 12 months). The annual equipment lease amount is missing from the "Projected Data Chart-Other Expenses" table in your supplemental response. Additionally, the annual maintenance amount identified by the equipment vendor ($115,800) differs from the amount in your chart ($194,174 budgeted in Year 1). Please clarify by showing the correct amounts in the table below.

Please also note that the total in the chart below must match what is budgeted in Line D.9 of the Projected Data Chart. As such, please also show the correct amounts in a second revised Projected Data Chart.

RESPONSE:

The Premier Medical Group, PC (PMG) Letter of Intent should have included an explanation that PMG is not responsible for equipment lease payments until the MRI is installed and operational in the new PMG facility (meaning - when we begin scanning patients). As of today, we anticipate that the new MRI will be operational March 2016. Therefore, MRI lease payments are not anticipated to begin until April 2016 as indicated in the "Projected Data Chart – Other Expenses" below on line six. Please note the amount on line six is the 10 month MRI lease payment less interest that is included on 31-R line D.7.

Additionally, the PMG Letter of Intent indicates that there is a 60 month maintenance cost of $9,650 per month for 60 months. However, the 60 month PMG monthly maintenance cost does not begin until month 25 which would be Year 2018. The negotiated monthly maintenance cost runs from month 25 through month 84 of the maintenance contract. Therefore, there is no maintenance cost in years 2015 and 2016 related to the new MRI equipment. Please note – the maintenance cost below in the "Projected Data Chart – Other Expenses" below on line five "Maintenance" is related to the maintenance cost on our existing MRI of $194,174. This amount is not reflected in our project costs as it is a cost associated with our existing MRI machine that will not be moved to the new facility.

SUPPLEMENTAL

PROJECTED DATA CHART-OTHER EXPENSES

OTHER EXPENSES CATEGORIES	Year 2015	Year 2016
1. _Telephone Expense _____	$ 600	$ 600
2. _ Billing Allocated Costs _____	44,341	44,341
3. __Group Overhead Allocation __	20,106	20,106
4. __Imaging Overhead Allocation_	47,517	47,517
5. __Maintenance_____	194,174	0
6. Lease Payments(10 months lease less interest)	_____	144,721
7. _____	_____	_____
Total Other Expenses	**$306,738**	**$257,285**

SUPPLEMENTAL

AFFIDAVIT

STATE OF TENNESSEE

COUNTY OF Montgomery

NAME OF FACILITY: Premier Medical Group, PC

I, Lloyd E. Matson after first being duly sworn, state under oath that I am the applicant named in this Certificate of Need application or the lawful agent thereof, that I have reviewed all of the supplemental information submitted herewith, and that it is true, accurate, and complete.

Signature/Title Chief Administrator

Sworn to and subscribed before me, a Notary Public, this the 28th day of May, 2015, witness my hand at office in the County of Montgomery, State of Tennessee.

Lesa S. Goder
NOTARY PUBLIC

My commission expires 9-16, 2015.

LESA S. GODER NOTARY PUBLIC AT LARGE MONTGOMERY CO. TENN.

HF-0043

Revised 7/02

Supplemental #1
-Original-

Premier Medical Group PC

CN1505-016

SUPPLEMENTAL #1

May 21, 2015
2:22 pm

SUPPLEMENTAL INFORMATION

RESPONSE

Premier Medical Group, PC

RE: Certificate of Need Application CN1505-016
Premier Medical Group - Relocation of MRI Service approved in CN9909-082A

SUPPLEMENTAL #1

May 21, 2015
2:22 pm

1. **Section A, Applicant Profile, Item 5**
   It is unclear how the management entity is a different organizational-legal entity than the owner. If there is no difference, the response for this item could be changed to "not applicable". Please clarify. If there is a difference, please provide documentation of same with your response, such as a copy of the manager's current registration with the TN Secretary of State office.

Response:
Not Applicable – (N/A)

2. **Section B, Applicant Profile, Item 13 and Section C, Economic Feasibility, Item 6.B**

The response is noted. Will professional fees for MRI interpretation services by radiologists be billed separately or are they included in the Global rates by procedure identified in the charges by CPT code on page 209 of the application? If billed separately, are the radiologists contracted with the same TennCare MCO plans as the applicant? Please provide a brief description of the arrangements that apply in this regard.

Response:

Premier Medical Group, PC will bill CPT codes listed on page 209 as global (this includes the technical and professional reading components aka Global Billing), our Radiologists that are employed by Premier Medical Group, PC are contracted with all MCO's as the applicant Premier Medical Group, PC, since the Radiologists are employed. We will bill under Premier Medical Group, PC's applicable billing number under global billing.

3. **Section B, Project Description, Item I and Section C, Need, Item 3 (Service Area)**

   Service Area:
   It appears that the new facility under construction is in the same zip code as the existing practice site. As such, please identify the distance and approximate driving time between the facilities.

   Response:
   Driving distance from existing practice site located at 2831 Wilma Rudolph Blvd., Clarksville, TN 37040 to the new facility under construction at 490 Dunlop Lane, Clarksville, TN 37040 is 1.87 miles and an approximate driving time between the facilities of 4 minutes.

The applicant states that the service area of PMG's MRI service is Montgomery County and only established patients of the practice. Of the established patients, are the majority residents of Montgomery County? Please complete the table below to help confirm the MRI service area of the practice and compare utilization by residents of Montgomery County to other MRI providers in the county. *Note: please contact Alecia Craighead, Stat III, at HSDA offices for this data.*

MRI Utilization by Residents of Montgomery County

Year	Applicant's Total MRI Procedures	County Resident Procedures performed by Applicant	Total MRI Procedures- All MRI Providers in County
2013	1386	1209	14162
2012	1426	1215	13507
2011	1494	1175	13620

4. **Section B, Project Description, Item I.**

   The applicant has indicated that the current age of the equipment is 9 years old; however the justification for replacing the equipment is based on current 20 year old technology MRI equipment. Please explain.

Response:
The original CON was granted in 1999, our first MRI lease began in September 17, 2000 and we then installed a new MRI in Feb 2006, therefore the current piece of equipment is only 9 years old. We have had the MRI service since opening our imaging center in 2000.

On page 4 it states we have been using our MRI equipment since December 15, 1999, this is when we obtained our CON, however we started seeing patients in September 17, 2000.

5. **Section B, Project Description, Item II.A. and Item II.E.**

Item II.A – In CN9909-082A, the applicant's MRI service was housed in approximately 850 square feet area of the medical group's building. What space does the service occupy in PMG's existing 30,000 square feet building?

Response:
There is 800 square feet in the existing building. Total imaging square footage in existing building is 3700 sq. ft.

What space will be allocated to the service that corresponds to the proposed location on the Floor Plan provided on page 154 of the application?

Response:
Total square footage in the imaging area in new space is 6245 sq. ft. with 1055 of that square footage related to MRI only.

Please briefly discuss. Any additional features such as # of floors, leased space available for other tenants, etc. would also be helpful for a fuller appreciation of the key features of the new building being under construction on Dunlap Lane in Clarksville.

Response:
In the new building there will only be two floors. All space in the new building will be occupied/leased by Premier Medical Group, PC. The new office space will include the following areas: Walk-In Clinics for Pediatric and Adult Primary Care patients, Occupational Medicine and most of our Family Medicine physician/providers. There will be a total of 24 providers located in the new building. We will have our Central Imaging Department including CT, DEXA, Ultrasound, Fluoroscopy, Mammography and Plain Film. We will also have a moderate complex laboratory in the new building.

Will the unit be placed on an upper floor of the new building?

Response:
No, the MRI unit will be placed on the lower floor.

If so, please provide a response for the following items:

a. The influence of the magnetic field in relationship to the activities of the occupants above, below and adjacent to the unit's planned location.

Response:
Not Applicable – (N/A)

b. The magnet and its auxiliary equipment may present fairly significant weight loads to the proposed upper floor location. Has an analysis been conducted by a licensed structural engineer to affirm the weight bearing capabilities of the upper floor, will support the proposed loads, particularly in a concentrated area.

Response:
Not Applicable – (N/A)

c. Will the capacity of the entryway (and elevator, if applicable) in the building support the weight of the magnet in moving the magnet to its planned location?

Response:
Not Applicable – (N/A)

d. Are electrical systems of adequate capacity to support sufficient power to the magnet?

Response:
Not Applicable – (N/A)

e. Have facility preparation cost estimates been prepared by a licensed architect and reviewed and verified by a contractor, both of whom have experience with similar installations?

Response:
Not Applicable – (N/A)

Based on the responses to 5.a-5.e above, might additional expenses above your contingency estimate be required? If so, please identify the amounts that apply and confirm that those additional expenses are included in the Project Cost Chart and Projected Data Chart where applicable.

Response:
Not Applicable – (N/A)

Item II.E:
Equipment _ does the response match the specifications for the MRI unit provided in the response under "Equipment" in the executive summary on page 4? Please clarify. Please also identify the manufacture date of the 1.5 Tesla replacement MRI unit planned for this project.

Response:
Per GE the manufacture date of the 1.5 Tesla replacement will be 2015.

Cost - the $954,044.17 appears to be the selling price on page 137 of the vendor quote and can be used to document the fair market value of the 1.5 Tesla unit in accordance with HSDA Rules. However, this amount differs from the $891,060 amount noted in the Project Costs Chart on page 26. Please explain the difference between the 2 amounts.

Response:
On page 137 that is the net sales price $954,044.17, that is correct. However, we will be leasing the MRI and the monthly lease (FMV lease) is $14,851 for 60 months that equals $891,060. Please see attached Letter of Intent with the vendor. (See Attachment – Page #26)

The Sample Lease Agreement provided in the attachments is noted. However, HSDA staff was unable to identify the total lease amount and lease period in the document. Additionally, responsibility of the parties for costs related to the installation and the annual maintenance of the GE 1.5 Tesla MRI unit at the new Dunlap Lane building was unclear. Please identify the amounts that apply. In your response, please document same in a written, signed, Letter of Intent between PMG and the equipment vendor.
Note: The clarification requested will help facilitate a better understanding of how the MRI equipment project and maintenance cost in the Project Costs Chart on page 26 and the annual projected equipment lease costs in the Projected Data Chart on page 31 were determined.*

**Note: these amounts are shown as $891,060 and $579,000, respectively, in the Project Cost Chart.*

Response:
Please find attached a Letter of Intent with the vendor. Premier Medical Group, PC has confirmed with our vendor GE that all installation costs are included in the lease payment.

Annual Maintenance - $9,650 per month for 60 months equals $579,000.

On page 31 of the original application, other expenses in Year 2015 includes maintenance on the old piece of equipment and Year 2016 only includes two months of maintenance on the old piece of equipment because we negotiated no maintenance payments for the first two years of the new MRI equipment.

SUPPLEMENTAL #1

May 21, 2015
2:22 pm

6. **Section C. Need Item 1. (State Health Plan)**

Please provide a response for each of the 5 key principles of the State Health Plan. For your convenience, the questions can be found in the exhibit at the end of this questionnaire.

Response:
See Exhibit 1 – Pages 21 thru 25 ___

7. **Section C, Need, Item 5**

The information provided on page 169 is noted. As a point of interest, please help identify the use of existing MRI providers in Montgomery County by residents of the county by completing the table below. Please contact Alecia Craighead, HSDA Stat III for assistance with data from the HSDA Equipment Registry.

Provider and Resident MRI Volumes-Montgomery County, 2011-2013

MRI Provider	Distance from Applicant	Total procedures 2011	Total procedures 2012	Total procedures 2013	% Change '11-'13	# Resident Procedures (2013)
Clarksville Imaging Center, LLC	2.33 miles	3,803	4,119	4,276	12.44%	2,930
Gateway Medical Center	.47 miles	5426	5242	4432	-18.32%	3,310
Mobile MRI Services, LLC	.46 miles	0	1,129	1,404	0%	1,179
Tennessee Orthopaedic Alliance	6.68 miles	2,007	1,915	1,932	-3.74%	1,417
Premier Medical Group, PC		1,494	1,426	1,386	-7.23%	1,209
Other Providers Outside of Montgomery County but their patients live in Montgomery County		256,166	276,851	305,606	19.30%	4,117
Subtotal-Montgomery County		268,896	290,682	319,036	18.65%	14,162
All other TN providers		393,993	367,031	332,814	-15.53%	547,255
Total -TN		**662,889**	**657,713**	**651,850**	**-1.67%**	**561,417**

- *Note: new provider Source: HSDA Equipment Registry, 2013 Service Utilization Records*

8. **Section C, Need. Item 6 (Applicant's Projected Utilization)**

The projected utilization is noted. Since the MRI service of the practice is used only by patients of Premier Medical Group, PC, it would help to have an appreciation of utilization grouped by primary specialties of PMG's employed physicians that reflects the volumes of PMG physicians provided on page 172(a) of the application. Please complete the table below:

Primary Specialty	# Physicians in Practice	MRI Procedures 2014	Projected Procedures Year 1
Family Practice	13	1198	1212
Internal Medicine	4	154	156
Pediatrics	11	43	44
OB/GYN	4	15	15
Orthopedics	醍		
General Surg	2	3	3
Radiology			
Neurology			
Neurosurgery			
Podiatry			
Oncology			
Cardiology			
Urology			
Other (Specify)_ENT	1	24	25
Other (Specify) Occupational Medicine	1	14	14
TOTAL	**36**	**1451**	**1469**

SUPPLEMENTAL #1
May 21, 2015
2:22 pm

Please show the percentages by payor in Year 1 of the project by completing the table below.

MRI Service Payor Mix, Year 1

Payor Source	Year 1 Gross Charges (as a % of total)	Average Gross Charge per MRI procedure	Year 1 Gross Revenue (as a % of total)
Medicare	22.63%	$1,371.91	10.52%
Tenncare	7.23%	$1,226.96	5.57%
Managed care			
Commercial	54.56%	$1,278.55	74.54%
Self-Pay	2.46%	$1,147.10	2.34%
Other-Tricare	13.12%	$1,249.58	7.03%
Total	100%	$1,286.92	100%

9. **Section C, Economic Feasibility Item 1 (Project Costs Chart)**

Facility Lease –
The 15 year facility lease for the new building that will house the offices of PMG and its existing MRI service is noted. The terms pertaining to rent in Item 3 of the agreement address a base rent of $1,105,882 in the first three years then increasing by 3% annually thereafter. Please show the methodology used to determine the $2,576,063 total lease cost shown in Item B.2 of the Project Costs Chart.

Response:
After reviewing the request for a supplemental response we believe that the answer to this question is that the lease payments attributable to the MRI space alone should be used to determine the project cost. The methodology used to determine both amounts is included below for reference. Please see the revised Project Costs Chart which includes the cost of the MRI only.

Option 1: total square feet in imaging center 6245 x $27.50 x 15 yr lease = $2,576,063,

yr 1	$	128,022.50	$	46,837.50	
yr 2	$	128,022.50	$	46,837.50	
yr 3	$	128,022.50	$	46,837.50	
yr 4	$	131,863.18	$	46,837.50	
yr 5	$	135,819.07	$	46,837.50	
yr 6	$	139,893.64	$	46,837.50	
yr 7	$	144,090.45	$	46,837.50	
yr 8	$	148,413.17	$	46,837.50	
yr 9	$	152,865.56	$	46,837.50	
yr 10	$	157,451.53	$	46,837.50	
yr 11	$	162,175.07	$	46,837.50	
yr 12	$	167,040.32	$	46,837.50	
yr 13	$	172,051.53	$	46,837.50	
yr 14	$	177,213.08	$	46,837.50	
yr 15	$	182,529.47	$	46,837.50	
	$	2,255,473.58	$	702,562.50	$ 2,958,036.08

Option 2: total square feet related to MRI only in new building 1055 x $27.50 x 15 yr lease = $435,188

1055
20.5
7.5

yr 1	$	21,627.50	$	7,912.50
yr 2	$	21,627.50	$	7,912.50
yr 3	$	21,627.50	$	7,912.50
yr 4	$	22,276.33	$	7,912.50
yr 5	$	22,944.61	$	7,912.50
yr 6	$	23,632.95	$	7,912.50
yr 7	$	24,341.94	$	7,912.50
yr 8	$	25,072.20	$	7,912.50
yr 9	$	25,824.37	$	7,912.50
yr 10	$	26,599.10	$	7,912.50

yr 11	$ 27,397.07	$ 7,912.50	
yr 12	$ 28,218.98	$ 7,912.50	
yr 13	$ 29,065.55	$ 7,912.50	
yr 14	$ 29,937.52	$ 7,912.50	
yr 15	$ 30,835.64	$ 7,912.50	
	$ 381,028.76	$ 118,687.50	$ 499,716.26

MRI Equipment Cost -
The following definition regarding major medical equipment cost in Tennessee Health Services and Development Agency Rule 0720-9-.01 (13)(b) states " The cost of major medical equipment includes all costs, expenditures, charges, fees, and assessments which are reasonably necessary to put the equipment into use for the purposes for which the equipment was intended. Such costs specifically include, but are not necessarily limited to the following: (1) maintenance agreements, covering the expected useful life of the equipment; (2) federal, state, and local taxes and other government assessments and (3) installation charges, excluding capital expenditures for physical plant renovation or in-wall shielding."

Response:
Sales taxes will be included in the lease payments.

Per GE installation charges are included in the lease rate per the Letter of Intent.

Is the $891,060 fixed unit 1.5 Tesla MRI unit lease cost listed in Line B.4 of the Project Cost Chart consistent with the Rule? In your response, please explain how the amount can be higher than the estimated fair market value of the unit *($954,044.17 selling price in vendor quote page 152)* in accordance with Agency Rule above. Unless the applicant can explain why the $891,060 cost in line B.4 should not change, please revise the Project Cost Chart and submit as a replacement page for the application (*please number the page as 26-R*). In addition, please also show the $579,000 amount for maintenance as an "Other" cost in Line B5 in lieu of Line C.4 of the chart (*Other Financing*). Updated

Response:
The number of $891,060 plus the maintenance agreement of $579,000 was deemed to the higher number for purposes of defining cost pursuant to the agency rule above since both are included in the lease agreement. If the agency's interpretation of the rule is that we should have used the acquisition cost of $954,044.17 please advise us so that we may file a revised copy of the Project Cost Chart.

We have revised Project Costs Chart – See Project Costs Chart – Labeled Page #26-R.
The purpose of this is to add the projected sales tax in the lease,

10. **Section C, Economic Feasibility, Item 4. (Projected Data Chart)**
Line D.2 – Physician Salaries and Wages - Please explain the rationale for budgeting Physician Salaries for the MRI service of the practice and how the amounts were determined.

Response:
Physician Salaries are based on a % of Net Operating Revenue as per the physician contract with Premier Medical Group, PC.

Line D.9 "Other Expenses" – what is the amount included for annual maintenance expenses in this item? If not included in the item, where can it be found?

Response:
Annual Maintenance - $9,650 per month for 60 months equals $579,000

On page 31, other expenses Year 2015 includes maintenance on the old piece of equipment and Year 2016 only includes two months of maintenance on the old piece of equipment because we negotiated no maintenance payments for the first two years of the new MRI equipment.

What amounts over $50,000.0 are included in this category? Please identify the amounts that apply.

Response:
On Page 31 other expenses includes: maintenance, telephone expense, billing allocation, group overhead allocation and imaging staff allocation.

Maintenance Year 1 $194,174
Billing Allocation Year 1 $44,341
Group Overhead Allocation Year 1 $22,517
Imaging Overhead Allocation Year 1 $47,516 (which includes front desk staff, maintenance on the PACS system, insurance to name a few items)
Lease Payment Year 2 $142,310

Line F.1 and F.2 – the applicant has noted that the MRI unit will be leased. Additionally, it appears that the amounts allocated to the space in the new building for the MRI service would also be lease costs. Since these are leases, why are amounts included for capital costs such as amortization and interest in this item of the chart? Please explain.

SUPPLEMENTAL #1
May 21, 2015
2:22 pm

Response:
PMG owns the existing MRI machine which carried a note on it as it was purchased equipment. That loan will be paid off in Year 2 of the lease per a separate agreement with the manufacturer of the existing MRI.

Note: if corrections are warranted as a result of these items or any additional items the applicant may wish to identify, please submit a revised Projected Data Chart numbered as page 31-R.

Response:
See revised Projected Data Chart – Labeled Page #31-R

11. Section C., Economic Feasibility, Item 6 B.

Please also include a comparison to HSDA Equipment Registry MRI range of charges in the response (1st Quartile, Median, 3rd Quartile).

Response:

MRI Gross Charges Per Procedure By Quartiles

MRI	Average Gross Charge per MRI procedure	HSDA 1st Quartile MRI	HSDA Median MRI	HSDA 3rd Quartile MRI
HSDA		$1,570.39	$2,175.15	$3,498.94
Premier **	$1,286.92	82%	60%	37%

** This shows what % Premier is to the HSDA Quartile Benchmarks as provided by the State of Tennessee HSDA

What are the arrangements for professional fees related to imaging interpretation services by radiologists? If contractually reimbursed by the applicant, what are the amounts included in the Projected Data Chart for the mobile service?

Response:

Premier Medical Group, PC pays our current radiologists based on a % of collections. The radiologists are also employed by Premier.

Also, due to the timing of the installation of the MRI of Nov/Dec 2015 in our new building, we will be able to continue with our existing MRI in our existing building until we move into the new building. GE is responsible for removal of the old MRI once we have moved out of the existing building. Because of this, no mobile service is necessary.

12. Section C., Economic Feasibility, Item 11.a.

According to the State Health Plan, an MRI unit should perform 2,880 procedures annually to operate at optimal efficiency. According to historical utilization provided by the applicant, the existing MRI unit operates at approximately 50% of optimal efficiency. Has the applicant considered the alternative of a sharing arrangement with another MRI provider?

Response:
Premier Medical Group has considered a sharing arrangement with other providers and for a variety of competitive and legal issues has not pursued such an arrangement.

The Premier Medical Group, PC MRI operates as a convenience to Premier Medical Group, PC patients. It is ACR Accredited. Premier Medical Group, PC is the low-cost provider in our market. All of Premier Medical Group, PC MRI procedures include the technical component. In the new world of Population Management, Premier Medical Group, PC, by housing critically important services in-house, has value added services while providing services at a lower cost. Recently, Premier Medical Group, PC qualified as a Patient Centered Medical Home (PCMH). In-house MRI services, when necessary for our patients, are critically important ways for us to keep our costs low.

Additionally, Premier Medical Group has been advised that the current in-house MRI arrangement is the most consistent with the Stark Law and anti-kickback regulations.

It is also important to note that Premier already holds a certificate of need for this MRI and is simply relocating to a newly build facility with no fee increases.

13. Section C, Orderly Development, Item 4

The staffing of the MRI service appears to consist of some of the individuals listed on page 249 of the application which includes position classifications for mammographers, a CT Technician and ultrasound technicians. Please tailor the list to identify the staffing plan for the MRI service with full time equivalent amounts by position such that the $110,236 amount in Line D.1 of the Projected Data Chart can be understood (As a general rule, 1FTE = 2080 regular hours worked per year.

Response:

Employee	*Job Title*	*Emp. Status*	*SMT Salary*	*Annual Salary*
Phil Fuqua	Director of Imaging Services	Full-Time	$3,398.98	$81,575.52

Salaries and Wages	**$**	**82,575.52**
Payroll Taxes	**$**	**6,170.46**
Benefits	**$**	**10,227.98**
Retirement	**$**	**8,051.10**
Total Personnel Expenses	**$**	**107,025.06**

$107,025.06 x 1.03% (3% increase over the prior year) = $110,236

What are the full time equivalent amounts used to provide professional support for the MRI service that are factored into the projected $157,533 Physician Salary cost for 2015 in the chart?

Response:
Our radiologists provide professional support for all areas of our imaging center. We have other modalities in our imaging center such as, MRI, CT, DEXA, Ultrasound, Fluoroscopy, Mammography and Plain Film. In calculating the FTE for radiologist time on MRI alone, if we base it on collections the radiologists FTE would be a .26 or if we base the FTE on charges the radiologists FTE would be .32.

In accordance with Tennessee Code Annotated, §68-11-1607(c) (5), "...If an application is not deemed complete within sixty (60) days after written notification is given to the applicant by the agency staff that the application is deemed incomplete, the application shall be deemed void." **For this application the sixtieth (60th) day after written notification is July 13, 2015. If this application is not deemed complete by this date, the application will be deemed void.** Agency Rule 0720-10-.03(4) (d) (2) indicates that "Failure of the applicant to meet this deadline will result in the application being considered withdrawn and returned to the contact person. Re-submittal of the application must be accomplished in accordance with Rule 0720-10-.03 and requires an additional filing fee." Please note that supplemental information must be submitted timely for the application to be deemed complete prior to the beginning date of the review cycle which the applicant intends to enter, even if that time is less than the sixty (60) days allowed by the statute. The

supplemental information must be submitted with the enclosed affidavit, which shall be executed and notarized; please attach the notarized affidavit to the supplemental information.

If all supplemental information is not received and the application officially deemed complete prior to the beginning of the next review cycle, then consideration of the application could be delayed into a later review cycle. The review cycle for each application shall begin on the first day of the month after the application has been deemed complete by the staff of the Health Services and Development Agency.

Any communication regarding projects under consideration by the Health Services and Development Agency shall be in accordance with T.C.A. э 68-11-1607(d):

(1) No communications are permitted with the members of the agency once the Letter of Intent initiating the application process is filed with the agency. Communications between agency members and agency staff shall not be prohibited. Any communication received by an agency member from a person unrelated to the applicant or party opposing the application shall be reported to the Executive Director and a written summary of such communication shall be made part of the certificate of need file.

(2) All communications between the contact person or legal counsel for the applicant and the Executive Director or agency staff after an application is deemed complete and placed in the review cycle are prohibited unless submitted in writing or confirmed in writing and made part of the certificate of need application file. Communications for the purposes of clarification of facts and issues that may arise after an application has been deemed complete and initiated by the Executive Director or agency staff are not prohibited.

EXHIBIT 1 - Section C, Need, Item 1 (State Health Plan)

Please discuss how the proposed project will relate to the 5 Principles for Achieving Better Health of the State Health Plan. Each Principle is listed below with example questions to help the applicant in its thinking.

1. The purpose of the State Health Plan is to improve the health of Tennesseans.

   a. How will this proposal protect, promote, and improve the health of Tennesseans over time?

   Response:
   Premier Medical Group already holds a CON for operation of a MRI facility. This application asks that the group receive a new CON so that it may upgrade both its facility and the MRI machine itself. Improvement of existing healthcare resources should allow Premier Medical Group to offer more convenient and accurate care to its patients.

   The Premier Medical Group, PC MRI is a tool in our physician's arsenal to deliver quality healthcare to our patients. It is ACR accredited. Radiologists are employed by Premier Medical Group, PC. Our patients have easy, timely access to Premier Medical Group, PC MRI services. Premier Medical Group, PC physicians have access to results of tests normally within minutes of the completion of the MRI. Patient care is convenient, timely and cost effective. If referrals need to be made to specialists, the patient diagnosis is known sooner at the Primary Care level helping the patient access the appropriate care with a chance of better outcome and improved health over time.

   b. What health outcomes will be impacted and how will the applicant measure improvement in health outcomes?

   Response:
   Health outcomes will be impacted across all conditions treated by Premier Medical Group. The advantage of an in-house MRI machine will be measured by the timely evaluation and diagnosis of both medical and surgical conditions. By making a more timely diagnosis, patients can be treated and return to normal functioning status (i.e., return to duties at home, work, etc.) more quickly than referring such patients to off-site units. Measurement of outcomes will be

accomplished through monitoring patients in the DR System as well as our Electronic Health Records, which accumulates data for diagnostics, laboratory data, treatment, and referrals.

c. How does the applicant intend to act upon available data to measure its contribution to improving health outcomes?

Response:
Premier Medical Group, PC has already met Meaningful Use and Physician Quality Reporting System (PQRS). Premier Medical Group, PC is a Patient Centered Medical Home (PCMH). Premier Medical Group, PC has previously worked with Blue Cross Blue Shield of Tennessee on Pay-For-Performance programs. All three of these designations require that Premier act upon data to improve outcomes and lower costs. Premier Medical Group, PC, following HEDIS, is developing our own internal health guidelines to improve patient outcomes. Premier Medical Group, PC also engages with patients through our Patient Portal.

2. Every citizen should have reasonable access to health care.

a. How will this proposal improve access to health care? You may want to consider geographic, insurance, use of technology, and disparity issues (including income disparity), among others.

Response:
This proposal will improve access to healthcare for the entire patient population of Premier Medical Group, PC regardless of socioeconomic status. It provides a high-quality/lower-cost alternative to the other options that are in both the City and County. As shown in other documents contained in this application, the Premier Medical Group, PC MRI is the low cost MRI in the area. Having an MRI on-site for use with Premier patients improves convenience and access for Premier patients and leads to better medical outcomes.

b. How will this proposal improve information provided to patients and referring physicians?

Response:
This proposed project will improve the flow of information to both patients and referring physicians. Our DR System is integrated into the Electronic Health Record. The Electronic

Health Record Patient Portal allows patients to see the results of diagnostic studies electronically in a secure/private modality. Likewise, if our patients are referred to physicians outside of our group, we can safely and accurately relay information regarding all of the patient's care including diagnostics, laboratory, etc.

c. How does the applicant work to improve health literacy among its patient population, including communications between patients and providers?

Response:
Premier Medical Group, PC works continuously to improve health literacy among its patients including communications between patients and providers in several different ways. The most notable is our recent Certification by the NCQA as a Patient Centered Medical Home (PCMH). The principles of Patient Centered Medical Home include educating patients, making sure they have access to results and access to their provider in a timely and actionable way. As mentioned above, the Patient Portal is an electronic system that allows the patient to have access to their results as well as a way to communicate with their provider.

3. The State's health care resources should be developed to address the needs of Tennesseans while encouraging competitive markets, economic efficiencies, and the continued development of the State's health care system.

a. How will this proposal lower the cost of health care?

Response:
This proposal will lower the cost of healthcare by providing competition for advanced imaging in the city. Even though our CON is a group CON, it still allows our patients to have a lower cost choice. We have already compared prices with other local advanced imaging centers that are available and ours is one of the lower-cost alternatives. However, we do not sacrifice quality by offering a lower price.

b. How will this proposal encourage economic efficiencies?

Response:
Premier Medical Group, PC is proposing to lease new MRI equipment for no additional cost to Premier Medical Group, PC patients. Actually, the first two years of MRI operating costs are lowered by leasing new equipment due to lower maintenance cost included in the Lease Agreement. Premier Medical Group, PC physicians and patients will have access to state-of-the-art MRI services at the lowest cost in our market. The services are timely, convenient and cost effective.

c. What information will be made available to the community that will encourage a competitive market for health care services?

Response:
Information will be made available to the community that will encourage a competitive market for healthcare services. This is a group CON--advanced imaging services for MRI will be available to Premier Medical Group, PC patients.

4. Every citizen should have confidence that the quality of health care is continually monitored and standards are adhered to by health care providers.

a. How will this proposal help health care providers adhere to professional standards?

Response:
This proposal will help healthcare providers adhere to professional standards by employing Board-Certified Radiologists and operating an Imaging Center that will maintain ACR Certification on its MRI services. Board Certification for both of these requires adherence to continuing medical education requirements for its Radiologists.

b. How will this proposal encourage continued improvement in the quality of care provided by the health care workforce?

Response:
This proposal will encourage continued improvement in the quality of care provided by the healthcare workforce by

setting standards for quality of work and making sure that not only physicians but staff in the Imaging Center are adhering to medical education requirements, quality standards and high customer service standards.

5. The state should support the development, recruitment, and retention of a sufficient and quality health care workforce.*

   a. How will this proposal provide employment opportunities for the health care workforce?

   Response:
   This proposal seeks to move an existing CON therefore it will not provide additional employment apart from what is already provided. However, the existing MRI provides employment opportunities for healthcare workers in the area of Front Office Staff, Radiologic Technologists and Radiologists.

   b. How will this proposal complement the existing Service Area workforce?

   Response:
   This proposal only contemplates moving an existing CON to a new facility. However, the relocation will complement the existing service area workforce by helping to support the growing population of Clarksville, Tennessee. As the number of patients increase, an increased capacity for advanced imaging will be needed also. This CON proposal will not only increase capacity but it will also provide a quality/lower-cost venue that will help care for the patients in Clarksville, Tennessee.

SUPPLEMENTAL #1

May 21, 2015
2:22 pm

CENTRAL ADMINISTRATION

P. O. Box 3799
Clarksville, TN 37043

(931) 245-7000
Fax (931) 245-7069

May 20, 2015

RE: Letter of Intent – Premier Medical Group, PC and GE

This is a Letter of Intent between Premier Medical Group, PC and GE Healthcare. On December 31, 2014, Premier Medical Group, PC signed a contract with GE Healthcare (page 136 of CON application) indicating the intent to lease a new MRI from GE Healthcare.

During negotiations, Premier Medical Group, PC obtained a quote for the monthly lease payment of $14,851 for 60 months at a total cost of $891,060. Premier Medical Group, PC also obtained a quote for maintenance on the MRI of $9,650 for 60 months at a total cost of $579,000 (as stated per Page 26-R).

Premier Medical Group, PC's monthly lease payment will include sales tax which will be included on Page 26-R.

As agreed to in the contract with GE Healthcare, all mechanical installation and rigging as defined in the quote of the MRI will be included in the lease payment.

Missy Liverett
Chief Financial Administrator
Premier Medical Group, PC

5/21/15
Date

David D Forchielli
Imaging Regional Manager
GE Healthcare

5/21/2015
Date

SUPPLEMENTAL #1

May 21, 2015
2:22 pm

PROJECT COSTS CHART

A.	Construction and equipment acquired by purchase:		
	1.	Architectural and Engineering Fees	-0-
	2.	Legal, Administrative (Excluding CON Filing Fee), Consultant Fees	$5,000
	3.	Acquisition of Site	-0-
	4.	Preparation of Site	-0-
	5.	Construction Costs	-0-
	6.	Contingency Fund	-0-
	7.	Fixed Equipment (Not included in Construction Contract)	-0-
	8.	Moveable Equipment (List all equipment over $50,000)	-0-
	9.	Other (Specify) _____	-0-
B.	Acquisition by gift, donation, or lease:		
	1.	Facility (inclusive of building and land)	-0-
	2.	Building only (MRI 1,055 sq.ft. x 15 years x rent rate)	$ 499,716
	3.	Land only	-0-
	4.	Equipment (Specify) (MRI 1.5T GE)	$891,060
	5.	Other (Maintenance $579,000 & Sales Tax $62,674)	$663,651
C.	Financing Costs and Fees:		
	1.	Interim Financing	-0-
	2.	Underwriting Costs	-0-
	3.	Reserve for One Year's Debt Service	-0-
	4.	Other (Specify) ___	-0-
D.	Estimated Project Cost (A+B+C)		$2,059,427
E.	CON Filing Fee		$4,634
F.	Total Estimated Project Cost (D+E)	**TOTAL**	$2,064,060

SUPPLEMENTAL #1

May 21, 2015
2:22 pm

PROJECTED DATA CHART

Give information for the two (2) years following the completion of this proposal. The fiscal year begins in January (Month).

	Year 2015	Year 2016
A. Utilization Data (Specify unit of measure)	1,469	1,488
B. Revenue from Services to Patients		
1. Inpatient Services	$ -0-	$ -0-
2. Outpatient Services (Charges)	1,917,323	1,941,290
3. Emergency Services	-0-	-0-
4. Other Operating Revenue (Specify) _____	-0-	-0-
Gross Operating Revenue	$ 1,917,323	$ 1,941,290
C. Deductions from Gross Operating Revenue		
1. Contractual Adjustments	$(1,129,660)	$(1,143,439)
2. Provision for Charity Care	-0-	-0-
3. Provision for Bad Debt		
Total Deductions	$(1,129,660)	$(1,143,439)
NET OPERATING REVENUE	$ 787,663	$ 797,851
D. Operating Expenses		
1. Salaries and Wages	$ 110,236	$ 113,543
2. Physician's Salaries and Wages	157,533	$ 159,570
3. Supplies	15,238	15,696
4. Taxes	2,050	2,050
5. Depreciation	-0-	-0-
6. Rent	35,203	58,000
7. Interest, other than Capital	-0-	4,063
8. Management Fees:		
a. Fees to Affiliates	-0-	-0-
b. Fees to Non-Affiliates	-0-	-0-
9. Other Expenses (Specify) _____	306,738	257,285
Total Operating Expenses	**$ 626,998**	**$ 610,207**
E. Other Revenue (Expenses) – Net (Specify)	$ -0-	$ -0-
NET OPERATING INCOME (LOSS)	**$ 160,665**	**$ 187,644**
F. Capital Expenditures		
1. Retirement of Principal	$ 105,028	$ 27,246
2. Interest	5,000	$ 270
Total Capital Expenditures	**$ 110,028**	**$ 27,516**
NET OPERATING INCOME (LOSS) LESS CAPITAL EXPENDITURES	**$ 50,637**	**$ 160,128**

SUPPLEMENTAL #1

May 21, 2015
2:22 pm

AFFIDAVIT

STATE OF TENNESSEE

COUNTY OF MONTGOMERY

NAME OF FACILITY: Premier Medical Group, PC

I, LLOYD E. MATSON, after first being duly sworn, state under oath that I am the applicant named in this Certificate of Need application or the lawful agent thereof, that I have reviewed all of the supplemental information submitted herewith, and that it is true, accurate, and complete.

Signature/Title

Sworn to and subscribed before me, a Notary Public, this the 21st day of May, 2015, witness my hand at office in the County of Montgomery, State of Tennessee.

NOTARY PUBLIC

My commission expires 9-16, 2015.

LESA S. GODER
NOTARY PUBLIC AT LARGE
MONTGOMERY CO. TENN.

HF-0043

Revised 7/02

State of Tennessee
Health Services and Development Agency
Andrew Jackson Building, 9th Floor
www.tn.gov/hsda Phone: 615-741-2364/Fax: 615-741-9884

May 22, 2015

Lloyd E. Matson
Premier Medical Group, PC
2813 Wilma Rudolph Blvd.
Clarksville, TN 37040

RE: Certificate of Need Application CN1505-016
Premier Medical Group - Relocation of MRI Service approved in CN9909-082A

Dear Mr. Matson,

This will acknowledge our May 21, 2015 receipt of supplemental information to your application for a Certificate of Need for the relocation of the MRI approved in CN9909-082A from Premier Medical Group's (PMG) current location in an existing 20 year old leased building at 2830 Wilma Rudolph Boulevard in Clarksville (Montgomery County), TN to a new leased building under construction at 490 Dunlop Lane, Clarksville which will house PMG upon completion. As part of the project, the fixed MRI unit approved in CN9909-082A will be replaced with a leased 1.5 Tesla MRI unit. The MRI service will continue to be used only by established patients of the medical group. The service area will also remain unchanged (all of Montgomery County).

Several items were found which need clarification or additional discussion. Please review the list of questions below and address them as indicated. The questions have been keyed to the application form for your convenience. I should emphasize that an application cannot be deemed complete and the review cycle begun until all questions have been answered and furnished to this office.

Please submit responses in triplicate by 4:00 PM, Wednesday, May 27, 2015. If the supplemental information requested in this letter is not submitted by or before this time, then consideration of this application may be delayed into a later review cycle.

---

1. **Section B, Project Description, Item I and Section C, Need, Item 3 (Service Area)**

The data provided in the table is noted; however it is not clear as to whether the data matches fully with the column header. Please provide the information and data for the revised table below:

MRI Service Area Utilization Trends

Column	A	B	C	D	E	F
Year	Applicant's Total MRI Procedures	Montgomery County Resident Procedures performed by Applicant	Montgomery Resident Procedures as a % of Total Applicant Procedures (B/A)	Total Montgomery County Resident Procedures	Montgomery Co. Resident Procedures at Montgomery Co. Providers	% of Montgomery Co. Residents having MRI procedures at Montgomery Co. Facilities (E/D)
2013						
2012						
2011						

2. Section C, Need, Item 5

The response to this item is noted. Please submit a replacement page noted as 10-R with the following

Provider and Resident MRI Volumes-Montgomery County, 2011-2013

MRI Provider	Distance from Applicant	Total procedures 2011	Total procedures 2012	Total procedures 2013	% Change '11-'13	# Montgomery Co. Resident Procedures (2013)	Montgomery Resident Procedures as a % of Total
Clarksville Imaging Center, LLC	2.33 Miles	3,803	4,119	4,276	12.44%	2,930	68.5%
Gateway Medical Center	.47 miles	5,426	5,242	4,432	-18.32%	3,310	74.7%
Mobile MRI Services, LLC	.46 miles	0	1,129	1,404	NA	1,179	84.0%
Tennessee Orthopedic Alliance	6.68 miles	2,007	1,915	1,932	-3.74%	1,417	73.3%
Premier Medical Group	Applicant	1,494	1,426	1,386	-7.23	1,209	87.2%
Total		**12,730**	**13,831**	**13,430**	**5.5%**	**10,045**	**74.8%**

- *Note: new provider Source: HSDA Equipment Registry, 2013 Service Utilization Records*

3. Section C, Need. Item 6 (Applicant's Projected Utilization)

Your response regarding payor mix is noted. Please explain the payor mix variations between gross charges and gross revenue.

4. Section C, Economic Feasibility Item 1 (Project Costs Chart)

The following definition regarding major medical equipment cost in Tennessee Health Services and Development Agency Rule 0720-9-.01 (13)(d) states " If the acquisition is by lease, the cost is either the fair market value of the equipment , or the total amount of the lease payments, whichever is greater."

Based upon the above rule please make any applicable changes, if necessary, and submit a revised Project Costs Chart.

5. Section C, Economic Feasibility, Item 4. (Projected Data Chart)

Line D.9 "Other Expenses" - Your response is noted. Please complete the following chart.

PROJECTED DATA CHART-OTHER EXPENSES

OTHER EXPENSES CATEGORIES	Year 2015	Year 2016
1. _____	$_____	$_____
2. _____	_____	_____
3. _____	_____	_____
4. _____	_____	_____
5. _____	_____	_____
6. _____	_____	_____
7. _____	_____	_____
Total Other Expenses	$_____	$_____

In accordance with Tennessee Code Annotated, §68-11-1607(c) (5), "...If an application is not deemed complete within sixty (60) days after written notification is given to the applicant by the agency staff that the application is deemed incomplete, the application shall be deemed void." **For this application the sixtieth (60th) day after written notification is July 13, 2015. If this application is not deemed complete by this date, the application will be deemed void.** Agency Rule 0720-10-.03(4) (d) (2) indicates that "Failure of the applicant to meet this deadline will result in the application being considered withdrawn and returned to the contact person. Re-submittal of the application must be accomplished in accordance with Rule 0720-10-.03 and requires an additional filing fee." Please note that supplemental information must be submitted timely for the application to be deemed complete prior to the beginning date of the review cycle which the applicant intends to enter, even if that time is less than the sixty (60) days allowed by the statute. The supplemental information must be submitted with the enclosed affidavit, which shall be executed and notarized; please attach the notarized affidavit to the supplemental information.

If all supplemental information is not received and the application officially deemed complete prior to the beginning of the next review cycle, then consideration of the application could be delayed into a later review cycle. The review cycle for each application shall begin on the first day of the month after the application has been deemed complete by the staff of the Health Services and Development Agency.

Any communication regarding projects under consideration by the Health Services and Development Agency shall be in accordance with T.C.A. ɔ 68-11-1607(d):

(1) No communications are permitted with the members of the agency once the Letter of Intent initiating the application process is filed with the agency. Communications between agency members and agency staff shall not be prohibited. Any communication received by an agency member from a person unrelated to the applicant or party opposing the application shall be reported to the Executive Director and a written summary of such communication shall be made part of the certificate of need file.

(2) All communications between the contact person or legal counsel for the applicant and the Executive Director or agency staff after an application is deemed complete and placed in the review cycle are prohibited unless submitted in writing or confirmed in writing and made part of the certificate of need application file. Communications for the purposes of clarification of facts and issues that may arise after an application has been deemed complete and initiated by the Executive Director or agency staff are not prohibited.

Should you have any questions or require additional information, please do not hesitate to contact this office.

Sincerely,

Mark A. Farber
Deputy Director

MAF
Enclosure

State of Tennessee
Health Services and Development Agency
Andrew Jackson Building, 9th Floor
www.tn.gov/hsda Phone: 615-741-2364/Fax: 615-741-9884

May 28, 2015

Lloyd E. Matson
Premier Medical Group, PC
2813 Wilma Rudolph Blvd.
Clarksville, TN 37040

RE: Certificate of Need Application CN1505-016
Premier Medical Group - Relocation of MRI Service approved in CN9909-082A

Dear Mr. Matson,

This will acknowledge our May 27, 2015 receipt of your 2nd supplemental response pertaining to your application for a Certificate of Need for the relocation of the MRI approved in CN9909-082A from Premier Medical Group's (PMG) current location in an existing 20 year old leased building at 2830 Wilma Rudolph Boulevard in Clarksville (Montgomery County), TN to a new leased building under construction at 490 Dunlop Lane, Clarksville which will house PMG upon completion. As part of the project, the fixed MRI unit approved in CN9909-082A will be replaced with a leased 1.5 Tesla MRI unit. The MRI service will continue to be used only by established patients of the medical group. The service area will also remain unchanged (all of Montgomery County).

Several items were found which need clarification or additional discussion. Please review the list of questions below and address them as indicated. The questions have been keyed to the application form for your convenience. I should emphasize that an application cannot be deemed complete and the review cycle begun until all questions have been answered and furnished to this office.

Please submit responses in triplicate by 1:00 PM, Friday, May 29, 2015. If the supplemental information requested in this letter is not submitted by or before this time, then consideration of this application may be delayed into a later review cycle.

---

1. **Section C, Need. Item 6 (Applicant's Projected Utilization)**

   Your response regarding payor mix is noted. To help facilitate the comparison of projected revenue by payor source, HSDA staff has revised the headings in the table. Please complete the revised table below.

MRI Service Payor Mix, Year 1

Payor Source	Projected MRI Procedures	Gross Operating Revenue	as a % of Total Gross Revenue	Average Gross Charge per MRI procedure
Medicare				
Tenncare				
Managed care				
Commercial				
Self-Pay				
Other				
Total				

2. **Section C, Economic Feasibility Item 1 (Project Costs Chart)**

   The corrected chart noting a change from the original total project cost of $4,060,238 to a revised total project cost of $2,064,060 based on the terms of the May 20, 2015 vendor Letter of Intent is noted. The change in the total cost has also reduced the filing fee from $9,115 to $4,634. As a result, a refund from HSDA in the amount of $4,481.00 has been requested and will be processed as soon as possible once approved by the HSDA Executive Director.

   Thank you for addressing the changes and revising the total project cost. No further response for this item is necessary.

3. **Section C, Economic Feasibility, Item 4. (Projected Data Chart)**

   Your response is noted. Review of the May 20, 2015 vendor Letter of Intent identified an annual MRI equipment lease cost of $178,212 ($14,851 x 12 months) and an annual MRI maintenance cost of $115,800 ($9,650 x 12 months). The annual equipment lease amount is missing from the "Projected Data Chart-Other Expenses" table in your supplemental response. Additionally, the annual maintenance amount identified by the equipment vendor ($115,800) differs from the amount in your chart ($194,174 budgeted in Year 1). Please clarify by showing the correct amounts in the table below.

   Please also note that the total in the chart below must match what is budgeted in Line D.9 of the Projected Data Chart. As such, please also show the correct amounts in a second revised Projected Data Chart.

PROJECTED DATA CHART-OTHER EXPENSES

OTHER EXPENSES CATEGORIES	Year 2015	Year 2016
1. _____	$_____	$_____
2. _____	_____	_____
3. _____	_____	_____
4. _____	_____	_____
5. _____	_____	_____
6. _____	_____	_____
7. _____	_____	_____
Total Other Expenses	$_____	$_____

In accordance with Tennessee Code Annotated, §68-11-1607(c) (5), "...If an application is not deemed complete within sixty (60) days after written notification is given to the applicant by the agency staff that the application is deemed incomplete, the application shall be deemed void." **For this application the sixtieth (60th) day after written notification is July 13, 2015. If this application is not deemed complete by this date, the application will be deemed void.** Agency Rule 0720-10-.03(4) (d) (2) indicates that "Failure of the applicant to meet this deadline will result in the application being considered withdrawn and returned to the contact person. Re-submittal of the application must be accomplished in accordance with Rule 0720-10-.03 and requires an additional filing fee." Please note that supplemental information must be submitted timely for the application to be deemed complete prior to the beginning date of the review cycle which the applicant intends to enter, even if that time is less than the sixty (60) days allowed by the statute. The supplemental information must be submitted with the enclosed affidavit, which shall be executed and notarized; please attach the notarized affidavit to the supplemental information.

If all supplemental information is not received and the application officially deemed complete prior to the beginning of the next review cycle, then consideration of the application could be delayed into a later review cycle. The review cycle for each application shall begin on the first day of the month after the application has been deemed complete by the staff of the Health Services and Development Agency.

Any communication regarding projects under consideration by the Health Services and Development Agency shall be in accordance with T.C.A. ɔ 68-11-1607(d):

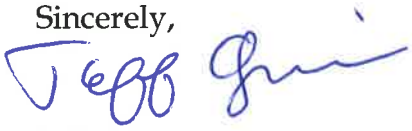
(1) No communications are permitted with the members of the agency once the Letter of Intent initiating the application process is filed with the agency. Communications between agency members and agency staff shall not be prohibited. Any communication received by an agency member from a person unrelated to the applicant or party opposing the application shall be reported to the Executive Director and a written summary of such communication shall be made part of the certificate of need file.

(2) All communications between the contact person or legal counsel for the applicant and the Executive Director or agency staff after an application is

deemed complete and placed in the review cycle are prohibited unless submitted in writing or confirmed in writing and made part of the certificate of need application file. Communications for the purposes of clarification of facts and issues that may arise after an application has been deemed complete and initiated by the Executive Director or agency staff are not prohibited.

Should you have any questions or require additional information, please do not hesitate to contact this office.

Sincerely,



Jeff Grimm
HSDA Examiner

PJG
Enclosure

AFFIDAVIT

STATE OF TENNESSEE

COUNTY OF _____

NAME OF FACILITY: _____

I, _____, after first being duly sworn, state under oath that I am the applicant named in this Certificate of Need application or the lawful agent thereof, that I have reviewed all of the supplemental information submitted herewith, and that it is true, accurate, and complete.

_____
Signature/Title

Sworn to and subscribed before me, a Notary Public, this the _____ day of _____, 20___, witness my hand at office in the County of _____, State of Tennessee.

_____
NOTARY PUBLIC

My commission expires _____, _____.

HF-0043

Revised 7/02

State of Tennessee
Health Services and Development Agency
Andrew Jackson Building, 9th Floor
www.tn.gov/hsda Phone: 615-741-2364/Fax: 615-741-9884

May 14, 2015

Lloyd E. Matson
Premier Medical Group, PC
2813 Wilma Rudolph Blvd.
Clarksville, TN 37040

RE: Certificate of Need Application CN1505-016
Premier Medical Group - Relocation of MRI Service approved in CN9909-082A

Dear Mr. Matson,

This will acknowledge our May 7, 2015 receipt of your application for a Certificate of Need for the relocation of the MRI approved in CN9909-082A from Premier Medical Group's (PMG) current location in an existing 20 year old leased building at 2830 Wilma Rudolph Boulevard in Clarksville (Montgomery County), TN to a new leased building under construction at 490 Dunlop Lane, Clarksville which will house PMG upon completion. As part of the project, the fixed MRI unit approved in CN9909-082A will be replaced with a leased 1.5 Tesla MRI unit. The MRI service will continue to be used only by established patients of the medical group. The service area will also remain unchanged (all of Montgomery County).

Several items were found which need clarification or additional discussion. Please review the list of questions below and address them as indicated. The questions have been keyed to the application form for your convenience. I should emphasize that an application cannot be deemed complete and the review cycle begun until all questions have been answered and furnished to this office.

Please submit responses in triplicate by 4:00 PM, May 21, 2015. If the supplemental information requested in this letter is not submitted by or before this time, then consideration of this application may be delayed into a later review cycle.

---

1. **Section A, Applicant Profile, Item 5**

   It is unclear how the management entity is a different organizational-legal entity than the owner. If there is no difference, the response for this item could be changed to "not applicable". Please clarify. If there is a difference, please provide documentation of same with your response, such as a copy of the manager's current registration with the TN Secretary of State office.

2. **Section B, Applicant Profile, Item 13 and Section C, Economic Feasibility, Item 6.B**

   The response is noted. Will professional fees for MRI interpretation services by radiologists be billed separately or are they included in the Global rates by

procedure identified in the charges by CPT code on page 209 of the application? If billed separately, are the radiologists contracted with the same TennCare MCO plans as the applicant? Please provide a brief description of the arrangements that apply in this regard.

3. **Section B, Project Description, Item I and Section C, Need, Item 3 (Service Area)**

   Service Area:
   It appears that the new facility under construction is in the same zip code as the existing practice site. As such, please identify the distance and approximate driving time between the facilities.

The applicant states that the service area of PMG's MRI service is Montgomery County and only established patients of the practice. Of the established patients, are the majority residents of Montgomery County? Please complete the table below to help confirm the MRI service area of the practice and compare utilization by residents of Montgomery County to other MRI providers in the county. *Note: please contact Alecia Craighead, Stat III, at HSDA offices for this data. Her*

MRI Utilization by Residents of Montgomery County

Year	Applicant's Total MRI Procedures	County Resident Procedures performed by Applicant	Total MRI Procedures- All MRI Providers in County
2013			
2012			
2011			

4. **Section B, Project Description, Item I.**

   The applicant has indicated that the current age of the equipment is 9 years old; however the justification for replacing the equipment is based on current 20 year old technology MRI equipment. Please explain.

5. **Section B, Project Description, Item II.A. and Item II.E.**

   Item II.A - In CN9909-082A, the applicant's MRI service was housed in approximately 850 square feet area of the medical group's building. What space does the service occupy in PMG's existing 30,000 square feet building? What space will be allocated to the service that corresponds to the proposed location on the Floor Plan provided on page 154 of the application? Please briefly discuss. Any additional features such as # of floors, leased space available for other tenants, etc. would also be helpful for a fuller appreciation of the key features of the new building being under construction on Dunlap Lane in Clarksville.

   Will the unit be placed on an upper floor of the new building? If so, please provide a response for the following items:

a. The influence of the magnetic field in relationship to the activities of the occupants above, below and adjacent to the unit's planned location.

b. The magnet and its auxiliary equipment may present fairly significant weight loads to the proposed upper floor location. Has an analysis been conducted by a licensed structural engineer to affirm the weight bearing capabilities of the upper floor, will support the proposed loads, particularly in a concentrated area.
c. Will the capacity of the entryway (and elevator, if applicable) in the building support the weight of the magnet in moving the magnet to its planned location?
d. Are electrical systems of adequate capacity to support sufficient power to the magnet?
e. Have facility preparation cost estimates been prepared by a licensed architect and reviewed and verified by a contractor, both of whom have experience with similar installations?

Based on the responses to 4.a-4.e above, might additional expenses above your contingency estimate be required? If so, please identify the amounts that apply and confirm that those additional expenses are included in the Project Cost Chart and Projected Data Chart where applicable.

Item II.E:
Equipment _ does the response match the specifications for the MRI unit provided in the response under "Equipment" in the executive summary on page 4? Please clarify. Please also identify the manufacture date of the 1.5 Tesla replacement MRI unit planned for this project.

Cost - the $954,044.17 appears to be the selling price on page 137 of the vendor quote and can be used to document the fair market value of the 1.5 Tesla unit in accordance with HSDA Rules. However, this amount differs from the $891,060 amount noted in the Project Costs Chart on page 26. Please explain the difference between the 2 amounts.

The Sample Lease Agreement provided in the attachments is noted. However, HSDA staff was unable to identify the total lease amount and lease period in the document. Additionally, responsibility of the parties for costs related to the installation and the annual maintenance of the GE 1.5 Tesla MRI unit at the new Dunlap Lane building was unclear. Please identify the amounts that apply. In your response, please document same in a written, signed, Letter of Intent between PMG and the equipment vendor.
Note: The clarification requested will help facilitate a better understanding of how the MRI equipment project and maintenance cost in the Project Costs Chart on page 26 and the annual projected equipment lease costs in the Projected Data Chart on page 31 were determined.*

**Note: these amounts are shown as $891,060 and $579,000, respectively, in the Project Cost Chart.*

6. **Section C. Need Item 1. (State Health Plan)**

Please provide a response for each of the 5 key principles of the State Health Plan. For your convenience, the questions can be found in the exhibit at the end of this questionnaire.

7. Section C, Need, Item 5

The information provided on page 169 is noted. As a point of interest, please help identify the use of existing MRI providers in Montgomery County by residents of the county by completing the table below. Please contact Alecia Craighead, HSDA Stat III for assistance with data from the HSDA Equipment Registry.

Provider and Resident MRI Volumes-Montgomery County, 2011-2013

MRI Provider	Distance from Applicant	Total procedures 2011	Total procedures 2012	Total procedures 2013	% Change '11-'13	# Resident Procedures (2013)
Subtotal-Montgomery County						
All other TN providers						
Total -TN						

- *Note: new provider Source: HSDA Equipment Registry, 2013 Service Utilization Records*

8. Section C, Need. Item 6 (Applicant's Projected Utilization)

The projected utilization is noted. Since the MRI service of the practice is used only by patients of Premier Medical Group, PC, it would help to have an appreciation of utilization grouped by primary specialties of PMG's employed physicians that reflects the volumes of PMG physicians provided on page 172(a) of the application. Please complete the table below:

Primary Specialty	# Physicians in Practice	MRI Procedures 2014	Projected Procedures Year 1
Family Practice			
Internal Medicine			
Pediatrics			
OB/GYN			
Orthopedics			
General Surg			
Radiology			
Neurology			
Neurosurgery			
Podiatry			
Oncology			
Cardiology			
Urology			
Other (Specify)_____			
Other (Specify)_____			
TOTAL			

Please show the percentages by payor in Year 1 of the project by completing the table below.

MRI Service Payor Mix, Year 1

Payor Source	Year 1 Gross Revenue (as a % of total)	Average Gross Charge per MRI procedure	Year 1 Gross Revenue (as a % of total)
Medicare			
Tenncare			
Managed care			
Commercial			
Self-Pay			
Other			
Total			

9. Section C, Economic Feasibility Item 1 (Project Costs Chart)

Facility Lease –
The 15 year facility lease for the new building that will house the offices of PMG and its existing MRI service is noted. The terms pertaining to rent in Item 3 of the agreement address a base rent of $1,105,882 in the first three years then increasing by 3% annually thereafter. Please show the methodology used to determine the $2,576,063 total lease cost shown in Item B.2 of the Project Costs Chart.

MRI Equipment Cost -
The following definition regarding major medical equipment cost in Tennessee Health Services and Development Agency Rule 0720-9-.01 (13)(b) states " The cost of major medical equipment includes all costs, expenditures, charges, fees, and assessments which are reasonably necessary to put the equipment into use for the purposes for which the equipment was intended. Such costs specifically include, but are not necessarily limited to the following: (1) maintenance agreements, covering the expected useful life of the equipment; (2) federal, state, and local taxes and other government assessments and (3) installation charges, excluding capital expenditures for physical plant renovation or in-wall shielding."

Is the $891,060 fixed unit 1.5 Tesla MRI unit lease cost listed in Line B.4 of the Project Cost Chart consistent with the Rule? In your response, please explain how the amount can be higher than the estimated fair market value of the unit (*$954,044.17 selling price in vendor quote page 152*) in accordance with Agency Rule above. Unless the applicant can explain why the $891,060 cost in line B.4 should not change, please revise the Project Cost Chart and submit as a replacement page for the application (*please number the page as 26-R*). In addition, please also show the $579,000 amount for maintenance as an "Other" cost in Line B5 in lieu of Line C.4 of the chart (*Other Financing*).

10. Section C, Economic Feasibility, Item 4. (Projected Data Chart)

Line D.2 – Physician Salaries and Wages - Please explain the rationale for budgeting Physician Salaries for the MRI service of the practice and how the amounts were determined.

Line D.9 "Other Expenses" – what is the amount included for annual maintenance expenses in this item? If not included in the item, where can it be found?
What amounts over $50,000.0 are included in this category? Please identify the amounts that apply.

Line F.1 and F.2 – the applicant has noted that the MRI unit will be leased. Additionally, it appears that the amounts allocated to the space in the new building for the MRI service would also be lease costs. Since these are leases, why are amounts included for capital costs such as amortization and interest in this item of the chart? Please explain.

Note: if corrections are warranted as a result of these items or any additional items the applicant may wish to identify, please submit a revised Projected Data Chart numbered as page 31-R.

11. Section C., Economic Feasibility, Item 6 B.

Please also include a comparison to HSDA Equipment Registry MRI range of charges in the response (1st Quartile, Median, 3rd Quartile).

What are the arrangements for professional fees related to imaging interpretation services by radiologists? If contractually reimbursed by the applicant, what are the amounts included in the Projected Data Chart for the mobile service?

12. Section C., Economic Feasibility, Item 11.a.

According to the State Health Plan, an MRI unit should perform 2,880 procedures annually to operate at optimal efficiency. According to historical utilization provided by the applicant, the existing MRI unit operates at approximately 50% of optimal efficiency. Has the applicant considered the alternative of a sharing arrangement with another MRI provider?

13. Section C, Orderly Development, Item 4

The staffing of the MRI service appears to consist of some of the individuals listed on page 249 of the application which includes position classifications for mammographers, a CT Technician and ultrasound technicians. Please tailor the list to identify the staffing plan for the MRI service with full time equivalent amounts by position such that the $110,236 amount in Line D.1 of the Projected Data Chart can be understood (As a general rule, 1FTE = 2080 regular hours worked per year.

What are the full time equivalent amounts used to provide professional support for the MRI service that are factored into the projected $157,533 Physician Salary cost for 2015 in the chart?

In accordance with Tennessee Code Annotated, §68-11-1607(c) (5), "...If an application is not deemed complete within sixty (60) days after written notification is given to the applicant by the agency staff that the application is deemed incomplete, the application shall be deemed void." **For this application the sixtieth (60th) day after written notification is July 13, 2015. If this application is not deemed complete by this date, the application will be deemed void.** Agency Rule 0720-10-.03(4) (d) (2) indicates that "Failure of the applicant to meet this deadline will result in the application being considered withdrawn and returned to the contact person. Re-submittal of the application must be accomplished in accordance with Rule 0720-10-.03 and requires an additional filing fee." Please note that supplemental information must be submitted timely for the application to be deemed complete prior to the beginning date of the review cycle which the applicant intends to enter, even if that time is less than the sixty (60) days allowed by the statute. The supplemental information must be submitted with the enclosed affidavit, which shall be executed and notarized; please attach the notarized affidavit to the supplemental information.

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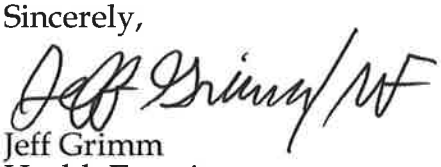
Sincerely,



Jeff Grimm
Health Examiner
Tennessee Health Services & Development Agency

EXHIBIT 1 - Section C, Need, Item 1 (State Health Plan)

Please discuss how the proposed project will relate to the 5 Principles for Achieving Better Health of the State Health Plan. Each Principle is listed below with example questions to help the applicant in its thinking.

1. The purpose of the State Health Plan is to improve the health of Tennesseans.

    a. How will this proposal protect, promote, and improve the health of Tennesseans over time?

    b. What health outcomes will be impacted and how will the applicant measure improvement in health outcomes?

    c. How does the applicant intend to act upon available data to measure its contribution to improving health outcomes?

2. Every citizen should have reasonable access to health care.

    a. How will this proposal improve access to health care? You may want to consider geographic, insurance, use of technology, and disparity issues (including income disparity), among others.

    b. How will this proposal improve information provided to patients and referring physicians?

    c. How does the applicant work to improve health literacy among its patient population, including communications between patients and providers?

3. The State's health care resources should be developed to address the needs of Tennesseans while encouraging competitive markets, economic efficiencies, and the continued development of the State's health care system.

    a. How will this proposal lower the cost of health care?

    b. How will this proposal encourage economic efficiencies?