

# Consulting Agreement

## Client Information

Name: Nueces County Hospital District  
Phone: 361-808-3800  
Contact Person: Jonny Hipp

3Dhealth, a Wisconsin corporation ("3D"), agrees to provide consulting services ("Consulting Services") to Nueces County Hospital District ("Client"), in connection with Client's project ("Project") of completing a comprehensive physician needs assessment and patient access analysis for Nueces County, Texas. 3D and Client (collectively, "Parties") understand and agree that 3D shall perform the following Consulting Services, which are of a ministerial nature in support of Client in its Project.

## Project Scope

### Activities

- ✓ Conduct a Kick-Off Meeting with a designated contact at Client and any additional key stakeholders to:
  - Confirm project objectives and approach
  - Discuss 3Dhealth's approach, methodology, data sources, timing and deliverables
  - Agree on the Project Plan and timing for key milestones including:
    - Physician Supply Verification
    - Draft Surplus/Deficit Analysis
    - Patient Access Study
    - Nueces County Physician Needs Assessment Presentations
- ✓ Estimate the demand for office-based physician services for Nueces County.
  - Utilize 3Dhealth's proprietary Physician Demand Model to determine the projected demand for physician services for Nueces County.
    - The model was developed with utilization data purchased from the leading actuarial firm Milliman.
    - The commercial physician encounter rates are based on Milliman's proprietary database from nationwide commercial group data representing encounters from over 550-million-member months.
    - Medicare encounter rates are based on the Center for Medicare and Medicaid Services' 5% sample data file, which is comprised of data representing encounters from over 13.8-million-member months.
    - Considers age and gender distribution of the Nueces County population
    - Includes 45 office-based physician specialties and 25 pediatric sub-specialties.
    - Assumes physician productivity utilizing a five-year rolling average of the MGMA median physician productivity benchmarks
- ✓ Compile and verify the physician supply database for Nueces County.
  - Develop a comprehensive physician supply database for Nueces County utilizing a number of public and private sources
  - To further increase the accuracy of the database, verify records with primary research and telephone calls to physicians' offices as needed. Additional research is typically completed in the following circumstances:
    - Age: If a physician's age was not uncovered during the database compilation, 3Dhealth gathers estimates using medical school graduation dates, birth years, or birth dates as available



- Locations: Physician FTEs are adjusted for physicians that spend time practicing at multiple offices - both inside and outside of Nueces County - based on the days of the week spent at each office (e.g. two days at office 1 and two days at office 2 equate to a 50%/50% location split)
  - Specialties: If a physician practices multiple sub-specialties, his or her FTE is split between the sub-specialties
  - Productivity: Physician FTEs are adjusted for time spent performing non-clinical duties, such as teaching, research, or administrative duties. In the absence of actual FTE data or information, academic physicians are assigned a 0.67 FTE (or portion thereof if explicitly identified as a part-time provider)
- ✓ Complete the Patient Access Study.
  - For all office-based physicians within Nueces County, place phone calls to the practice to test for:
    - Whether practices are open or closed to new patients
    - The next available new patient appointment wait time
    - Whether the practice offered an alternative appointment - e.g., APP or physician partner, or alternative site
    - Call scenarios can be customized by specialty and payer type at Client's discretion.
  - Collect and tabulate the results of the Patient Access Study:
    - Number and percentage of physicians by specialty open, closed or selectively open to new patients
    - Minimum, maximum, and average wait times for the next available new patient appointment by specialty, practice, and/or physician
    - The number of practices that offered an alternative if they were closed to new patients or if wait times were excessive
  - Benchmark the results of the Patient Access Study against patient expectations and 3Dhealth's national experience based on our work across the country.
- ✓ Calculate current physician FTE supply by specialty for Nueces County
- ✓ Calculate the resulting current and five-year projected surplus or deficit of community physicians for the Nueces County population.
- ✓ Conduct a conference call to review the draft surplus/deficit results and physician supply database.
- ✓ Incorporate any feedback.
- ✓ Compile the results of the Patient Access Study.
- ✓ Issue the final Nueces County Physician Needs Assessment.
- ✓ Conduct in-person and virtual meetings/presentations, as needed.

#### Deliverables

- Draft Surplus/Deficit Results and Physician Supply Database (Excel file with initial results and physician supply detail)
- Patient Access Detail
- Patient Access Study
- Nueces County Physician Needs Assessment
- Provider Supply Database

#### Timing

- Six Weeks to Draft Results
- Ongoing In-Person and Virtual Meetings/Presentations as Needed

*QuBP*

## Specialties Included in the Assessments

### **Primary Care Specialties**

Advanced Practice Provider  
Family Medicine  
Geriatric Medicine  
Internal Medicine  
Nurse Midwife  
Obstetrics & Gynecology  
Pediatrics

### **Medical Sub-Specialties**

Allergy & Immunology  
Cardiology - Electrophysiology  
Cardiology - Interventional  
Cardiology - Medical  
Dermatology  
Endocrinology  
Gastroenterology  
Hematology/Oncology  
Infectious Disease  
Nephrology  
Neurology  
Pain Management  
Physical Medicine & Rehab  
Psychiatry  
Pulmonary  
Reproductive Endocrinology  
Rheumatology  
Sleep Medicine  
Sports Medicine

### **Surgical Sub-Specialties**

Bariatric Surgery  
Breast Surgery  
Cardiac Surgery  
Colon and Rectal Surgery  
General Surgery  
Maternal Fetal Medicine  
Neurosurgery - Cranial  
Neurosurgery - Spine

Oncology Surgery  
Ophthalmology  
Orthopedic Surgery - General  
Orthopedic Surgery - Hand  
Orthopedic Surgery - Spine  
Otolaryngology  
Plastic Surgery  
Podiatry  
Thoracic Surgery  
Urology  
Vascular Surgery

### **Pediatric Medical Sub-Specialties**

Pediatric Allergy & Immunology  
Pediatric Cardiology  
Pediatric Dermatology  
Pediatric Developmental-Behavioral  
Pediatric Endocrinology  
Pediatric Gastroenterology  
Pediatric Genetics  
Pediatric Hematology/Oncology  
Pediatric Infectious Disease  
Pediatric Nephrology  
Pediatric Neurology  
Pediatric Pain Management  
Pediatric Psychiatry  
Pediatric Pulmonary  
Pediatric Rehabilitation Medicine  
Pediatric Rheumatology  
Pediatric Sports Medicine

### **Pediatric Surgical Sub-Specialties**

Pediatric Cardio/Thoracic Surgery  
Pediatric Neurosurgery  
Pediatric Ophthalmology  
Pediatric Orthopedic Surgery  
Pediatric Otolaryngology  
Pediatric Plastic Surgery  
Pediatric Surgery  
Pediatric Urology



Fees for Services

Professional fees for the project are based upon the proposed scope of work, include a 20% new client discount and total \$19,200.00.

Out-of-pocket expenses including travel, copies and binding, and other reasonable project-related expenses will be billed as incurred at cost. 3D follows the IRS recommended guidelines for travel.

Data purchases include Milliman physician utilization rates and Claritas service area demographics and total \$1,500.00.

25% of the professional fees and 100% of the data costs are due upon signing of a Consulting Agreement. The remainder of the professional fees and out of pocket expenses will be billed monthly over the course of the engagement and are payable within 30 days of being billed.

Client hereby acknowledges that it has read and understands the Terms & Conditions attached hereto and any other attachments hereto, all of which are incorporated herein by reference, and it agrees to be bound hereby.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of the later of the dates set forth below.

Nueces County Hospital District

By: Jonny F. Hiop  
Print Name: Jonny F. Hiop  
Title: Administrator/CEO  
Date: 12/20/2024

3Dhealth

By: Ronald R. Flower  
Print Name: Ronald R. Flower  
Title: President & CEO  
Date: December 20, 2024

## GENERAL TERMS & CONDITIONS

1. **GENERAL.** The General Terms & Conditions set forth herein are incorporated in and part of that certain Consulting Agreement ("Agreement") to which it is attached by and between the Parties thereto, which shall be referred to herein as 3Dhealth ("3D") and Client respectively.

2. **ACCEPTANCE; TERM.** This Agreement is not binding upon 3D, and its term (the "Term") shall not commence, until (a) 3D's actual receipt of the Agreement signed by an authorized representative of the Client adopting all of the Terms & Conditions without qualification and (b) execution of the Agreement by an authorized representative of 3D. The Term shall continue until the Project (as defined in the Agreement) is completed, unless terminated earlier as provided below.

3. **TERMS OF PAYMENT.** Client shall be invoiced 25% of the professional fee and 100% of the data cost upon signing the Consulting Agreement and then monthly as the project progresses. Invoices shall be due and payable within 30 days of receipt of the invoice by Client.

4. **EXPENSES.** Client shall promptly reimburse 3D at cost for all out-of-pocket expenses attributable to the Project or incurred in connection with the Consulting Services (as defined in the Agreement), including travel, accommodation, meals, photocopying, courier, telephone, facsimile and other related expenses.

5. **WARRANTY.** 3D warrants that it shall perform all Consulting Services competently and in a timely and professional manner, exercising all of the diligence and care normally exercised in the performance of comparable tasks. 3D has been engaged to collect, analyze, interpret and explain various data, and make recommendations to Client. 3D cannot guarantee its recommendations or Client's success in implementing the same. EXCEPT AS SPECIFICALLY PROVIDED HEREIN, 3D MAKES NO WARRANTY, EXPRESS OR IMPLIED, WHETHER OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OR USE OR OTHERWISE.

6. **INDEPENDENT CONTRACTOR.** The relationship of the parties under this Agreement is one of independent contractors, and no joint venture, partnership, agency, employer-employee, or similar relationship is created in or by this Agreement. Neither party may assume or create obligations on the other party's behalf, and neither party may take any action that creates the appearance of such authority. 3D has the sole right to control and direct the means, details, manner, and methods by which the Consulting Services will be performed, and the right to perform the Consulting Services at any time, place, or location.

7. **ASSIGNMENT.** Each party shall not assign or otherwise transfer any of its rights or obligations under this Agreement without the prior written consent of the other party, which consent shall not be unreasonably withheld.

8. **NON-SOLICITATION.** During this Agreement and for a period of 12 months following the termination of this Agreement, each party shall not, directly or indirectly, for their own account or for any other person or entity, solicit, hire or otherwise engage the services of any personnel of the other party without the prior written consent of the party.

9. **CONFIDENTIAL INFORMATION.** 3D recognizes and acknowledges that, in performing Consulting Services, it may come into possession of certain confidential information of Client ("Confidential Information"). 3D agrees that, except as directed by the Client, it shall not at any time during or after the Term disclose any Confidential Information to any person. It is understood that the Confidential Information does not include information that (a) becomes generally available to the public other than as a result of disclosure by 3D, (b) becomes available to 3D from a source other than Client if that source is not subject to a confidentiality obligation regarding such information, or (c) must be disclosed by order of court or other process of law.

10. **TERMINATION BY CLIENT.** This Agreement is based on the Client's commitment to the Project. However, the Client may cancel this agreement upon two weeks prior written notice, *provided, however*, that client agrees to pay for all Consulting Services rendered and expenses incurred through the effective date of termination.

11. **TERMINATION BY 3D.** 3D may terminate this Agreement upon two weeks prior written notice to Client if (a) Client is unwilling or unable to accept delivery of the services necessary to complete the Project on the delivery date agreed upon by the parties and (b) the parties are unable to agree upon another date for delivery.

12. **LIMITATION OF LIABILITY.** Client's sole and exclusive remedy for breach or any other claim in connection with the Agreement or the Consulting Services provided pursuant thereto shall be for a refund of any part of the Total Project Cost paid by Client. In no event shall 3D be liable to Client or any third-party for any special, indirect, incidental or consequential damages in

connection with or as a result of the performance, non-performance, delivery or non-delivery of the services of 3D, or for any charges or expenses of any nature incurred without 3D's written consent, and Client indemnifies and holds 3D harmless from any and all such claims of damage by Client or others.

13. **DELIVERY DATES; FORCE MAJEURE.** All delivery, start and completion dates are approximate and 3D shall not be responsible for any damage of any kind resulting from any delay. 3D shall not be liable for any default or delay in performance if caused, directly or indirectly, by acts of God or terrorists, the elements, labor disputes, accidents, any governmental action, prohibition or regulation, shortage or breakdown of or inability to obtain or non-arrival of any labor, material or equipment used in the Project, failure of any party or third-party to perform any contract with 3D or Client relative to the Project, or from any other cause whatever beyond 3D's control (collectively, the "Force Majeure Conditions").

14. **MISCELLANEOUS.**

(a) **Binding Effect.** This Agreement shall be binding upon and inure to the benefit of the Parties, their respective successors, legal representatives and permitted assigns.

(b) **Governing Law.** This Agreement shall be governed by and construed under the laws of the State of the Client location, without regard to conflict of laws principles. Client and 3D agree that any cause of action that may arise in any way under or due to this Agreement shall be brought and have venue in the County of the Client.

(c) **Notices.** All notices which are required to be given shall be in writing and delivered to the address set forth on the Agreement attached hereto. Any such notice shall be delivered by hand or by certified first class mail, postage prepaid, return receipt requested, and shall be deemed given upon the date hand delivered or three days after mailing.

(d) **Severability.** The invalidity or unenforceability of any of the provisions of this Agreement shall not affect the validity or enforceability of any other provisions of this Agreement. If any provision of this Agreement is for any reason held by a court of competent jurisdiction to be invalid or unenforceable, it shall be construed to make it valid and enforceable by limiting it as to time, subject or geographical scope as required under applicable law.

(e) **No Waiver.** All rights, privileges and remedies afforded 3D shall be deemed cumulative and not exclusive, and the exercise of any one of such remedies shall not be deemed a waiver of any other right, privilege or remedy.

(f) **Non-Exclusivity.** Client agrees and acknowledges that 3D is performing the Consulting Services hereunder on a non-exclusive basis and 3D is free to contract with any other parties to perform consulting services.

(g) **Entire Agreement.** These General Terms and Conditions and the Agreement attached hereto and any other attachments thereto together constitute the entire final, complete and exclusive understanding and agreement between the Client and 3D regarding the subject matter and supersedes all prior representations, proposals or understandings. The Agreement may be amended, modified or supplemented only in writing as agreed to by the Parties.