

October 20, 2017

Rob Allen, CEO
Sitka Community Hospital
209 Moller Ave
Sitka, AK 99835

RE: OB Services

Dear Rob,

SEARHC is in receipt of your October 14, 2017 letter requesting the ability to collaborate on the provision of OB services in the community of Sitka. As stated in your letter, it is our understanding that Sitka Community Hospital (SCH) desires to continue to provide prenatal services and wishes to utilize the labor and delivery services at Mt Edgecumbe Hospital (MEH).

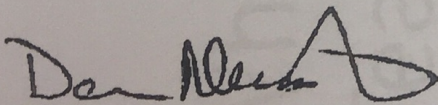
SEARHC believes there is value to the community as well as to the two healthcare organizations to support your request.

As you have suggested, we support and look forward to working with you and your staff to implement this collaboration, including:

- Credentialing your qualified physicians through our Medical Staff to allow delivering babies at MEH. As several of your providers have currently or in the recent past held privileges at MEH, this should not be a problem.
- SCH providers participating in a normal rotation on the call schedule for labor and deliveries
- SCH will be responsible for salary and call compensation for the SCH providers
- In regards to billing, SCH will bill for prenatal services they provide and SEARHC will bill for all hospital delivery services to the appropriate insurance carrier. This will keep the process straight forward, and keep the cost to the patient at the same level currently.

SEARHC looks forward to working through the details in order to implement this program. Please let me know when it is convenient to meet.

Regards,



Dan Neumeister
Executive Senior VP
SouthEast Alaska Regional Health Consortium (SEARHC)
3100 Channel Dr., Suite 300, Juneau AK 99835

cc: Bryan Bertacchi