

MEMORANDUM OF UNDERSTANDING BETWEEN WESTCARE
NEVADA INC. AND SOUTHERN NEVADA HOSPITALS
RELATING TO THE PROVISION OF FUNDS FOR THE
COMMUNITY TRIAGE CENTER

THIS MEMORANDUM OF UNDERSTANDING ("MOU") is entered into as of July 1, 2007, by and among WestCare Nevada, Inc., a Nevada non-profit corporation ("WestCare"), and Boulder City Hospital, Desert Springs Hospital, Sunrise Mountain View Hospital, Inc., a Nevada corporation ("Mountain View Hospital"), Catholic Healthcare West, a California nonprofit public benefit corporation d/b/a St. Rose Dominican Hospitals, Southern Hills Medical Center, LLC, a Nevada limited liability company ("Southern Hills Hospital"), Spring Valley Hospital, Summerlin Hospital, Sunrise Hospital and Medical Center, LLC, a Nevada limited liability company ("Sunrise Hospital"), University Medical Center, Valley Hospital and North Vista Hospital (together referred to as the "hospital parties"), and Clark County, City of Las Vegas, City of Henderson, City of North Las Vegas, and Boulder City (together referred to as the "Local Governments"), to provide funds for the Community Triage Center, also known as the Crisis Triage Center, operated by WestCare at 930 North 4th Street, Las Vegas, Nevada 89101 ("Community Triage Center").

WITNESSETH:

WHEREAS, the Southern Nevada Regional Planning Coalition has recommended certain strategies contained in a report issued by the Southern Nevada Mental Health Coalition and the Chronic Public Inebriate Task Force (the "Report"), to help resolve problems associated with emergency room and detention center overcrowding by mentally ill persons and chronic inebriates; and

WHEREAS, the Report determined that a major contributing factor to the overcrowding problem is that the significant number of chronic inebriates and mentally ill persons who are being held in emergency rooms for long periods of time is due to insufficient availability of mental health beds and other alternative detoxification facilities; and

WHEREAS, the Southern Nevada Regional Planning Coalition agreed with the Report's recommendation to create in the community a centrally located drop-off triage center for those mentally ill persons and chronic inebriates who are not in need of emergency room care, which would be funded by state and local governments, with contributions also made by area hospitals; and

WHEREAS, WestCare submitted a proposal to the Southern Nevada Regional Planning Coalition to establish the Community Triage Center and a related transportation system to help relieve overcrowding of local emergency rooms and detention centers by diverting individuals with substance abuse and/or mental health problems to more suitable treatment; and

WHEREAS, the parties to this MOU each hereby agree that a centrally located drop-off triage center for those mentally ill persons and chronic inebriates who are not in need of emergency room care would be a substantial benefit to the inhabitants of the Southern Nevada region, and that the Community Triage Center established by WestCare is willing to provide such a service; and

WHEREAS, the Local Governments and the hospital parties have committed to providing certain funds to the Community Triage Center according to the terms and conditions of this MOU to help address the immediate public health crisis and alleviate some of the overcrowding of the hospital parties' emergency rooms; and

WHEREAS, in accordance with the terms and conditions set forth in this MOU, the parties agree to contribute the amounts designated herein to be used and applied solely as their respective contributions toward the estimated operating budget costs for the Community Triage Center and related transportation system operated by WestCare ("WestCare Budget"), for the period beginning July 1, 2007, and ending June 30, 2008, subject to earlier termination as provided herein ("Term").

NOW, THEREFORE, be it agreed by WestCare, the hospital parties and the Local Governments as follows:

1. DEFINITIONS

The following definitions apply to this Agreement.

A. "Commencement Date" means July 1, 2007, or the date thereafter that this MOU becomes effective by execution by all the parties hereto.

B. "MOU" means this Memorandum of Understanding, consisting of 7 pages, and all exhibits and/or attachments, hereto.

C. "WestCare" means WestCare Nevada, Inc.

2. FUNDING OF THE COMMUNITY TRIAGE CENTER

A. The funds to be provided by the hospital parties under this MOU for their monthly share toward the WestCare Budget (a copy of which is attached to this MOU as Exhibit A and incorporated herein by this reference), during the Term shall be as follows:

Boulder City Hospital --	\$ 304.23 per month
Desert Springs Hospital --	\$ 4,438.44 per month
Mountain View Hospital --	\$ 2,484.58 per month
St. Rose Dominican Hospital- Rose deLima campus --	\$ 2,477.82 per month
St. Rose Dominican Hospital- Siena campus --	\$ 2,085.69 per month
Southern Hills Hospital --	\$ 3,566.30 per month
Spring Valley Hospital	\$ 3,197.84 per month
Summerlin Hospital --	\$ 1,673.29 per month
Sunrise Hospital --	\$10,631.30 per month
University Medical Center --	\$20,904.27 per month
Valley Hospital --	\$ 6,203.01 per month
North Vista Hospital --	\$ 9,130.41 per month

B. The funds to be provided by the Local Governments under this MOU for their monthly share toward the WestCare Budget shall be as follows:

Clark County --	\$34,816.72 per month
City of Las Vegas --	\$23,350.98 per month
City of Henderson --	\$ 1,637.17 per month
City of North Las Vegas --	\$ 6,763.39 per month
Boulder City --	\$ 348.91 per month

C. For the Term of this MOU, each of the parties agrees to pay its monthly cost as authorized in paragraphs A and B of this Section 2, except that the allocation (but not the total amount) of the per month costs among the hospital parties may be revised one time during the Term of this MOU based upon an analysis of the first six (6) months use of the Community Triage Center by each hospital party. Such analysis and possible revision of the allocation of the total per month hospital costs one time during the Term of this MOU must be requested in writing by a number of hospitals that contribute in the aggregate at least 75% of the total contributions from the hospital parties, and must be received no later than February 1, 2008 by the Southern Nevada Regional Planning Coalition. Such analysis will be conducted by a representative from the Southern Nevada Regional Planning Coalition and the results will be submitted to all parties no later than March 1, 2008. No revision shall be effective unless approved in writing by all hospital parties. Each of the parties agree to pay its share of the monthly costs as set forth in this MOU (i) simultaneously with the execution of this MOU in a lump sum in an amount equal to the total monthly costs for each of the calendar months occurring after June 30, 2007 and prior to the execution of this MOU, and (ii) for each of the calendar months occurring on or after the execution of this MOU, on or before the 10th day of each calendar month.

D. The funds to be provided by the hospital parties under this MOU shall be contingent upon WestCare receiving the funds to be provided by the Local Governments under this MOU, and WestCare receiving funding for the remaining balance of the WestCare Budget for WestCare's fiscal year ending June 30, 2007, from state SAPTA grants as well as those monies provided from the 2007 Legislative session or other sources in the amount of \$1,267,000 ("State Portion"). In the event that WestCare fails to secure the State Portion from sources other than the parties to this MOU by January 1, 2008, then this MOU shall automatically terminate on January 15, 2008, with none of the hospital parties, Local Governments or WestCare having any further obligations or responsibilities hereunder (except as otherwise provided in this MOU), and this MOU shall be cancelled, deemed null and void and of no further effect as of January 15, 2008. If WestCare procures the State Portion, it shall provide evidence of such funding to all parties to this MOU by January 15, 2008.

E. Each of the hospital parties and the Local Governments shall make its monthly cost payment directly to WestCare, who shall provide written receipt of such payments to the contributing party.

3. SCOPE OF SERVICES TO BE PROVIDED BY WESTCARE

A. WestCare will operate the Community Triage Center at 930 North 4th Street, Las Vegas, Nevada, to provide inpatient mental health, substance abuse, and detoxification services to adults and youths who are homeless and/or chronic inebriates, and such services as otherwise set forth in this MOU (the "Services"). Any hospital party to this MOU may refer a client to the Community Triage Center, and WestCare will provide transportation services for such client from said hospital party at no additional cost to such hospital party.

B. In operating this facility, WestCare agrees that at all times during the Term it will:

1. Triage all patients to assess their needs through mental health and substance abuse assessments performed by licensed professionals.

2. Provide all Services on either a residential or outpatient setting based on the needs of the patient.

3. Provide (i) social model and medically supported detoxification services, (ii) adult psychiatric evaluations by board certified psychiatrists and administer a limited supply of psychiatric medications, (iii) case management services to assist patients with follow-up and long term medical, psychiatric and substance abuse treatment.

4. Employ management, staff and volunteers with sufficient technical knowledge, skill and expertise necessary to provide the Services.

5. Be available for consultation regarding patient management and referral of patient services with all hospital parties to this MOU during normal working hours and at such other reasonable times as to not conflict with WestCare's other responsibilities.

6. Submit to the parties to this MOU monthly status reports, which shall be due on the 25th of each month following the month for which the report is prepared, with the first report due October 25, 2007. These reports shall cover the activities of the Community Triage Center, including, but not limited to, (i) the number of persons being brought directly to WestCare via EMS, (ii) the number of persons brought to WestCare who are under the influence of drugs or alcohol in a public or private place, (iii) the number of persons who are referred to WestCare from hospitals (by hospital), (iv) the number of persons who are referred to WestCare from detention centers and/or police drop-offs, (v) the number of persons referred to WestCare from locations other than hospitals, detention centers or police drop-offs, and the source of the referral. In addition, the report will contain the total number of mental health and substance abuse patients seen at the Community Triage Center, including both youths and adults, and the categories of treatment provided. In addition, the report will contain the costs to WestCare of serving these patients on an itemized basis and a comparison of such costs to the WestCare Budget.

7. Maintain complete and accurate financial records pertaining to all matters relative to this MOU in accordance with generally accepted standard accounting principles and procedures, and retain all such records and supporting documentation applicable to this MOU for

a period of five (5) years after termination of this MOU. Furthermore, all such records relating to any analysis or audit performed relative to this MOU or the WestCare Budget shall be retained for five (5) years after such analysis or audit has been performed and any findings have been resolved. [In the event that WestCare no longer operates in Nevada, it shall be required to deliver a copy of all of its records relating to this MOU to be retained by Clark County for the required period of time. All parties to this MOU, at their own cost, shall be provided reasonable access to such records for purposes related to the MOU.

8. Maintain all federal, state, and local licenses and registrations applicable to WestCare for the services to be performed at the Community Triage Center and assure that all such services are performed in compliance with all applicable laws, rules and regulations.

9. Maintain appropriate automobile, general liability, casualty, professional liability, workers compensation and other insurance in types and amounts customary for the type of services performed under this MOU, (but in no event less than \$1,000,000 per occurrence and \$3,000,000 annual aggregate with respect to each of the general and professional liability insurance policies), from insurance companies licensed in Nevada. WestCare shall provide evidence of such coverage to each party prior to the execution of this MOU.

10. Provide timely transportation to the Community Triage Center upon the request of any hospital party for any patient at no additional cost to the hospital party 24 hours a day, 7 days a week.

4. TERM OF MOU

This MOU shall commence as of the Commencement Date and shall be effective until June 30, 2008 ("Expiration Date"), unless sooner terminated as expressly provided in this MOU. The parties to this MOU may at their sole option renew this agreement for an additional I-year period. Throughout the term of this agreement including any renewal elected by the parties, WestCare agrees to provide the services as required by this MOU within the scope of the agreement.

5. RIGHT TO CONDUCT ANALYSIS AND INSPECT

Clark County shall provide oversight on behalf of the Southern Nevada Regional Planning Coalition for analyzing and inspecting the services of WestCare in the operation of the Community Triage Center and shall provide all reports to the other contributing government entities. However, the hospital parties to this MOU retain the right to review and inspect the Services of WestCare in the operation of the Community Triage Center, including but not limited to inspection of West Care's books and records as they pertain to this MOU.

6. TERMINATION

A. This MOU may be terminated by WestCare with respect to a particular hospital party in the event of a failure of such hospital party to make its contribution hereunder after giving such hospital party written notice of default and a period of 10 calendar days to cure such default by making its contribution. If a hospital party defaults in its obligations hereunder, and fails to cure such default, the MOU may be terminated as to the defaulting hospital party only.

This MOU shall not be terminated in its entirety for a default of one hospital party except by mutual agreement of all remaining hospital parties. If this MOU is terminated as to any hospital party for default of such hospital party, the defaulting hospital party will pay WestCare that portion of the monthly cost due from such hospital party which has been earned as of the effective date of termination, which shall be WestCare's sole and exclusive remedy for such termination.

B. This MOU may be terminated by any hospital party with respect to such hospital party in the event of a failure of WestCare to perform its obligations hereunder after giving WestCare:

1. Not less than 10 calendar days written notice of its failure to meet an obligation hereunder and providing a copy to all other parties; and

2. An opportunity to remedy that failure within 10 calendar days, or if the breach cannot reasonably be cured within that 10 calendar day period, to commence remedying the breach during that period and cure such breach in no more than 30 days.

If WestCare defaults in its obligations to one hospital party hereunder, and fails to cure such default, the MOU may be terminated as to that hospital party only. This MOU shall not be terminated in its entirety for a default by WestCare except by mutual agreement of all remaining hospital parties. If this MOU is terminated by any hospital party for default of WestCare and failure to cure within the time frames set forth above, the terminating hospital party will pay WestCare that portion of the monthly cost due from such hospital party which has been earned as of the effective date of termination, no further payments will be made by the hospital party and the hospital party shall have no further obligations hereunder.

C. This MOU may be terminated by WestCare with respect to all hospitals in the event a number of hospitals that contribute in the aggregate 50% or more of the total contributions from the hospital parties fail to make their contributions in anyone month by providing all hospital parties and Local Governments not less than 10 calendar days written notice of such failure to meet an obligation hereunder and an opportunity to remedy that failure within 10 calendar days. In such case, the defaulting hospital parties will pay WestCare that portion of the monthly cost due from such hospital parties which has been earned as of the effective date of termination, which shall be WestCare's sole and exclusive remedy for such termination.

D. No party shall be considered in default in the performance of its obligations hereunder to the extent that performance of such obligations is prevented or delayed by any cause, existing or future, which is beyond the reasonable control of such party. Delays arising from the actions or inactions of one or more of WestCare's principals, officers, employees, agents, subcontractors, vendors or suppliers are expressly recognized to be within WestCare's control.

E. No party or any of its respective principals, officers, employees or agents shall have any liability to any other party for termination of this MOU under this Section 6 and termination of this MOU shall be each party's sole and exclusive remedy under this MOU, other than any rights of contribution one party may have against another under Nevada law or

WestCare's right to any unpaid monthly costs from the hospital parties to the extent set forth in Sections 6(A), 6(8) and 6(C).

7. MODIFICATION /AMENDMENT

Except as otherwise provided in section 2, paragraph C, this MOU shall not be modified or amended except by the express written agreement of WestCare, the hospital parties and the Local Governments, signed by a duly authorized representative of each party. Any other attempt to modify or amend this MOU shall be null and void and may not be relied upon by any party.

8. EACH PARTY TO BEAR RESPONSIBILITY FOR OWN ACTIONS

Each party to this MOU shall be responsible for the acts and omissions of that party, its officers, directors, employees, contractors and agents.

9. OTHER PARTY INTEREST

This MOU is entered into for the exclusive benefits of the parties hereto and is not intended to benefit any individual or entity not expressly named a party herein.

10. INDEPENDENT ENTITIES

WestCare, the hospital parties and the Local Governments are all independent entities and nothing contained in this MOU shall be construed or be deemed to create a relationship of employer and employee or principal and agent or any relationship other than that of independent parties among them, contracting with each other solely for the purpose of carrying out the provisions of this MOU on a several basis. Each of hospital parties and Local Governments enter into this MOU severally only, and shall not be obligated under this MOU jointly, jointly and severally or other than as separate and independent parties.

11. ENTIRE MOU

This executed MOU contains the entire agreement among the parties hereto relating to rights granted and obligations assumed by the parties herein. Any prior agreement, contract, promises, negotiations, or representation, either oral or written, relating to the subject matter for this MOU not expressly set forth in this MOU is superseded by this MOU and of no further force or effect.

12. EXECUTION IN COUNTERPARTS

This MOU may be executed in any number of counterparts, each of which shall be deemed to be an original, and all of such counterparts shall constitute an agreement. To facilitate the execution of this MOU, the parties may execute and exchange by facsimile counterparts of the signature pages.

IN WITNESS WHEREOF, WestCare, the Local Governments and the hospital parties hereto have caused this MOU to be executed by their duly authorized representatives.

WESTCARE NEVADA, INC.

BY: _____

ITS: _____

Date: _____

BOULDER CITY HOSPITAL

BY: _____

ITS: _____

Date: _____

DESERT SPRINGS HOSPITAL

BY: _____

ITS: _____

Date: _____

SUNRISE MOUNTAIN VIEW
HOSPITAL, INC.

BY: _____

ITS: _____

Date: _____

NORTH VISTA HOSPITAL

BY: _____

ITS: _____

Date: _____

CATHOLIC HEALTHCARE WEST dba
ST. ROSE DOMINICAN HOSPITALS

BY: _____

ITS: _____

Date: _____

SOUTHERN HILLS MEDICAL CENTER,
LLC

BY: _____

ITS: _____

Date: _____

SPRING VALLEY HOSPITAL

BY: _____

ITS: _____

Date: _____

SUMMERLIN HOSPITAL

BY: _____

ITS: _____

Date: _____

SUNRISE HOSPITAL AND MEDICAL
CENTER, LLC

BY: _____

ITS: _____

Date: _____

UNIVERSITY MEDICAL CENTER

BY: _____

ITS: _____

Date: _____

VALLEY HOSPITAL

BY: _____

ITS: _____

Date: _____

THE LOCAL GOVERNMENTS:

CLARK COUNTY

BY: _____

ITS: _____

Date: _____

CITY OF LAS VEGAS

BY: _____

ITS: _____

Date: _____

APPROVED AS TO FORM
Thomas R. Green 8/21/07
Thomas R. Green Date
Deputy City Attorney

CITY OF HENDERSON

BY: _____

ITS: _____

Date: _____

CITY OF NORTH LAS VEGAS

BY: _____

ITS: _____

Date: _____

BOULDER CITY

BY: _____

ITS: _____

Date: _____