

BEFORE THE BOARD OF HOSPITAL COMMISSIONERS  
GRANT COUNTY, WASHINGTON

IN THE MATTER OF THE )  
INTERLOCAL AGREEMENT ) RESOLUTION 01/19-01  
FOR COLLECTIVE PURCHASING )

WHEREAS, Grant County Public Hospital District No. 1, is a public hospital district and a public entity pursuant to RCW 39.34.020, and offers various healthcare services to members of the public in Grant County, Washington; and

WHEREAS, superintendents of Lincoln County Hospital District No. 3, d/b/a Lincoln Hospital; Lincoln County Public Hospital District No. 1, d/b/a Odessa Memorial Hospital; Public Hospital District No. 1 of Pend Oreille County, d/b/a Newport Hospital; Garfield County Memorial Hospital District, d/b/a Garfield Hospital; Public Hospital District No. 3 of Grant County, d/b/a Columbia Basin Hospital; Douglas, Grant, Lincoln and Okanogan Counties Public Hospital District No. 6, d/b/a Coulee Community Hospital; Adams County Public Hospital District #2 d/b/a East Adams Rural Healthcare; Ferry County Public Hospital District #1, d/b/a Ferry County Memorial Hospital; Grant County Public Hospital District #1, d/b/a Samaritan Healthcare; Whitman County Public Hospital District #3, d/b/a Whitman Hospital & Medical Center; Columbia County Public Hospital District #1, d/b/a Columbia County Health System; Adams County Public Hospital District #3, d/b/a Othello Community Hospital; and Whitman County Public Hospital District #1-A, d/b/a Pullman Regional Hospital; collectively referred to herein as "Participating Hospitals", have proposed entry into an Interlocal Agreement for collective purchasing as authorized by RCW 70.44.450; and

WHEREAS, each of the Participating Hospitals desire to enter into cooperative agreements with other rural public hospital districts in order to provide for the health care needs of the people served by the districts. The Participating Hospitals desire to assess the mutual advantages to be obtained from opportunities to negotiate favorable contracts with payers, participate in opportunities available under state and federal programs, and obtain favorable purchases of medical equipment, services and technologies, and enter into joint agreements and contracts for health care service, delivery and payment with public and private entities as well as consider cooperative arrangements that are otherwise consistent with RCW 70.44.240, other applicable law and chapter 39.34 RCW; and

WHEREAS, it is desirable to enter into an Interlocal Agreement with other Participating Hospitals to be able to negotiate more cost-effective reimbursement contracts and services for the benefit of the Participating Hospitals utilizing their combined efforts to bring necessary services to their respective communities and obtain benefits that might not otherwise be cost effective for the hospitals to obtain individually.

THEREFORE, BE IT RESOLVED that the Commissioners of Grant County Public Hospital District #1 hereby adopt a Resolution as follows:

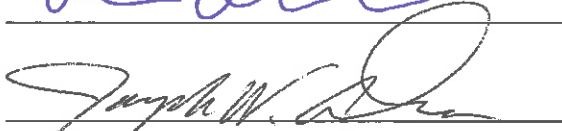
A RESOLUTION of the Commissioners of Public Hospital District No. 1, Grant County, Washington, specifying and adopting a plan for collaboration with other Participating Hospitals for the purpose of negotiation of advantageous reimbursement contracts and other business opportunities and negotiation of more cost-effective reimbursement contracts and services for the benefit of the Participating Hospitals each while serving their respective rural communities with a goal of obtaining advantageous contracts from the combined efforts to bring necessary services to their respective communities and obtain benefits that might not otherwise be cost effective for the hospitals to obtain individually. Other such opportunities for collaborative efforts may be available with respect to other subject matter of common interest identified by the Participating Hospitals.

BE IT FURTHER RESOLVED, that the District Superintendent is authorized to sign the Operating Agreement pertaining thereto after review by the District's attorney.

ADOPTED AND APPROVED by the Commissioners of Public Hospital District No. 1, Grant County, Washington, at an open public meeting thereof, of which due notice was given as required by law, held the 29<sup>th</sup> day of January, 2019, the following Commissioners being present and voting in favor of the Resolution.

ADOPTED: The 29<sup>th</sup> day of January, 2019.

  
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## INTERLOCAL AGREEMENT FOR COLLECTIVE PURCHASING

This Interlocal Agreement for collective purchasing is made effective this 5 day of February, 2019 by and between Lincoln County Hospital District No. 3, d/b/a Lincoln Hospital, 10 Nichols Street, Davenport, WA 99122 ("Davenport"); Lincoln County Public Hospital District No. 1, d/b/a Odessa Memorial Hospital, 502 East Amende Drive, Odessa, WA 99159 ("Odessa"); Public Hospital District No. 1 of Pend Oreille County, d/b/a Newport Hospital, W. 714 Pine Street, Newport, WA 99156 ("Newport"); Garfield County Memorial Hospital District, d/b/a Garfield Hospital, N. 66 Sixth Street, Pomeroy, WA 99347 ("Garfield"); Public Hospital District No. 3 of Grant County, d/b/a Columbia Basin Hospital, 200 SE Boulevard, Ephrata, WA 98823 ("Columbia"); Douglas, Grant, Lincoln and Okanogan Counties Public Hospital District No. 6, d/b/a Coulee Community Hospital, 411 Fortuyn Road, Grand Coulee, WA 99133 ("Coulee"); Adams County Public Hospital District #2 d/b/a East Adams Rural Healthcare, 903 S. Adams, Ritzville, WA 99169 ("East Adams"); Ferry County Public Hospital District #1, d/b/a Ferry County Memorial Hospital, 36 Klondike Road, Republic, WA 99166 ("Ferry County"); Grant County Public Hospital District #1, d/b/a Samaritan Healthcare, 801 E. Wheeler Road, Moses Lake, WA 98837 ("Samaritan"); Whitman County Public Hospital District #3, d/b/a Whitman Hospital & Medical Center, 1200 West Fairview, Colfax, WA 99111 ("Whitman"); Columbia County Public Hospital District #1, d/b/a Columbia County Health System, 1012 S. Third Street, Dayton, WA 99328 ("Columbia County Health"); Adams County Public Hospital District #3, d/b/a Othello Community Hospital, 315 North 14<sup>th</sup>, Othello, WA 99344 ("Othello"); and Whitman County Public Hospital District #1-A, d/b/a Pullman Regional Hospital, 835 SE Bishop Blvd., Pullman, WA 99163 ("Pullman") collectively referred to herein as "Participating Hospitals".

### RECITALS

A. Each of the Participating Hospitals is a public entity within the definition of RCW 39.34.020 and provides health care to each of their respective communities as a Public Hospital District.

B. Pursuant to the authority of RCW 70.44.450, each of the Participating Hospitals desire to enter into cooperative agreements with other rural public hospital districts in order to provide for the health care needs of the people served by the districts. The Participating Hospitals desire to assess the mutual advantages to be obtained from opportunities to negotiate favorable contracts with payers, participate in opportunities available under state and federal programs, and obtain favorable purchases of medical equipment, services and technologies, and enter into joint agreements and contracts for health care service delivery and payment with public and private entities as well as consider cooperative arrangements that are otherwise consistent with RCW 70.44.240, other applicable law and chapter 39.34 RCW.

C. Each of the Participating Hospitals has obtained the appropriate authority to enter into this Agreement as required by RCW 39.34.030(2).

NOW, THEREFORE, IN CONSIDERATION of the promises contained herein, and the benefit to be derived herefrom, and for other good and valuable consideration, the Participating Hospitals agree as follows:

### AGREEMENT

1. TERM. This Agreement shall commence effective the 5 day of February, 2019 and terminate the 31 day of December, 2019 ("initial term"). After the initial term of this Agreement, it shall automatically renew for one (1) year consecutive terms unless terminated by any party hereto.

2. ORGANIZATION. Each Participating Hospital shall designate a representative (the "Appointee") to act on its behalf. By majority vote, the Appointees shall designate a representative to act on their behalf (the "Interlocal Representative") for negotiations to be conducted pursuant to this Agreement. The Interlocal Representative shall have the power to negotiate on behalf of the Appointees, but shall not have the power to bind the Appointees or the Participating Hospital which is represented by the Appointee. The Interlocal Representative shall communicate with each of the Appointees regarding the outcome of negotiations conducted pursuant to this Agreement. Each Participating Hospital shall have the privilege of participating in any of the reimbursement contracts, service programs and other business transactions negotiated or otherwise made available to the Participating Hospitals pursuant to this Agreement, but shall not have an obligation to do so.

3. PURPOSE. The initial purpose of this Agreement is to collaborate in the negotiation of advantageous reimbursement contracts and other business opportunities through the Northwest Rural Health Network ("Network"). The Network will seek out advantageous reimbursement contracts and other contract opportunities for Participating Hospitals and act as the Interlocal Representative. It is anticipated that the Network will be able to negotiate more cost-effective reimbursement contracts and services for the benefit of the Participating Hospitals while serving their respective rural communities. The Participating Hospitals desire to obtain advantageous contracts from the combined efforts to bring necessary services to their respective communities and obtain benefits that might not otherwise be cost effective for the hospitals to obtain individually. Such opportunities for collaborative efforts may be available with respect to other subject matter of common interest identified by the Participating Hospitals.

4. FINANCING THE UNDERTAKING. It is not anticipated that the Participating Hospitals will need to obtain financing for this undertaking. Each of the Participating Hospitals will be represented by their respective Appointee and have no obligation to participate in any contract that may be negotiated by the Network and presented to the Interlocal Representative.

5. ACQUISITION OF PROPERTY. The Participating Hospitals do not anticipate acquisition of any real or personal property for the purpose of this Agreement. Should property acquisition become a part of this Agreement at a future date, the Participating Hospitals will amend this Agreement to address the acquisition and disposition of real and personal property.

6. FILING. This Agreement shall be filed with the County Auditor in each of the counties where the Participating Hospital is located.







STATE OF WASHINGTON )

County of )

I certify that I know or have satisfactory evidence that \_\_\_\_\_, signed this instrument, on oath, stated that he/she was authorized to execute this instrument, and acknowledged it as the \_\_\_\_\_ of Adams County Public Hospital District #2, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

GIVEN under my hand an official seal this \_\_\_\_\_ day of \_\_\_\_\_, 2019.

\_\_\_\_\_  
Notary Public in and for the State of  
Washington, residing at \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_

FERRY COUNTY PUBLIC HOSPITAL DISTRICT NO. 1  
d/b/a Ferry County Memorial Hospital

\_\_\_\_\_  
By: \_\_\_\_\_  
Its: \_\_\_\_\_

STATE OF WASHINGTON )

County of )

I certify that I know or have satisfactory evidence that \_\_\_\_\_, signed this instrument, on oath, stated that he/she was authorized to execute this instrument, and acknowledged it as the \_\_\_\_\_ of Ferry County Public Hospital District No. 1, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

GIVEN under my hand an official seal this \_\_\_\_\_ day of \_\_\_\_\_, 2019.

\_\_\_\_\_  
Notary Public in and for the State of  
Washington, residing at \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_







STATE OF WASHINGTON )  
 )  
County of )

I certify that I know or have satisfactory evidence that \_\_\_\_\_, signed this instrument, on oath, stated that he/she was authorized to execute this instrument, and acknowledged it as the \_\_\_\_\_ of Adams County Public Hospital District #3, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

GIVEN under my hand an official seal this \_\_\_\_\_ day of \_\_\_\_\_, 2019.

\_\_\_\_\_  
Notary Public in and for the State of  
Washington, residing at \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_

**WHITMAN COUNTY PUBLIC HOSPITAL DISTRICT #1-A  
d/b/a Pullman Regional Hospital**

\_\_\_\_\_  
By: \_\_\_\_\_  
Its: \_\_\_\_\_

STATE OF WASHINGTON )  
 )  
County of )

I certify that I know or have satisfactory evidence that \_\_\_\_\_, signed this instrument, on oath, stated that he/she was authorized to execute this instrument, and acknowledged it as the \_\_\_\_\_ of Whitman County Public Hospital District #1-A, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

GIVEN under my hand an official seal this \_\_\_\_\_ day of \_\_\_\_\_, 2019.

\_\_\_\_\_  
Notary Public in and for the State of  
Washington, residing at \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_



GIVEN under my hand an official seal this \_\_\_\_\_ day of \_\_\_\_\_, 2019.

\_\_\_\_\_  
Notary Public in and for the State of  
Washington, residing at \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_