

2023 RFP for Greenwood Leflore Hospital

Request for Proposal to Purchase or Lease

**Greenwood Leflore
Hospital**

And Certain Related Facilities and Assets

2023

2023 RFP for Greenwood Leflore Hospital

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REQUEST FOR PROPOSAL TO PURCHASE OR LEASE

This Request for Proposal (“RFP”) is issued by the City of Greenwood, Mississippi (the “City”) and Leflore County, Mississippi (the “County”) in compliance with Section 41-13-15 of the Mississippi Code of 1972, as amended (the “Code”) and in accordance with the resolutions adopted by the City on July 6, 2023, and by the County on August 14, 2023, both published along with public notice of this RFP (“Board Resolutions”). This RFP follows a public hearing on the issue of the potential sale or lease of the Greenwood Leflore Hospital (the “Hospital”) that was advertised and held in Greenwood, Mississippi on August 8, 2023, by the City and on August 7, 2023, by the County. This RFP is intended to solicit proposals from Bidders meeting the minimum qualifications set forth herein for either a purchase or a lease (with lease bids to be proposed for consideration of the County and City either including or excluding an option to purchase) of the Greenwood Leflore Hospital and certain related assets in accordance with the minimum required purchase or lease terms described herein. Bidders that submit a notice of intent to bid per V.C.3 below will be entitled to receive or obtain access to Exhibits 3-14 following execution and return of the Proprietary Information and Non-Disclosure Agreement in the form of Exhibit 2. More detailed due diligence, including on-site interviews and visits to the Hospital’s campus will be reserved for only those Bidders that actually submit a binding bid meeting the minimum bidder and bid qualifications set forth in Part I.A below.

Bids will be evaluated based on the overall assessment of the Bidder qualifications, ability to meet County and City objectives, proposed exceptions to the minimum terms described herein and the value of the purchase or lease terms offered. To the extent the County and City have questions regarding bids or the willingness of a Bidder to withdraw certain of its exceptions, the County and City may engage in negotiations and discussions with all or any of the Bidders as the County and City determine in their sole and joint discretion. Following any such negotiations and unless there is a petition filed with the City or County requiring a public election on the matter as authorized pursuant to the Code and upon approval of the proposed lease (if applicable) by the Hospital’s Board of Commissioners, the County and City will announce the “highest and best” Bidder and then will subsequently negotiate and sign either a lease (“Lease”) or asset purchase and sale agreement (“APSA”) with such successful Bidder **or the City and County may reject any and all bids for any reason.**

Assuming a bid is awarded and a Lease or APSA is executed, the parties will then cooperate to obtain all necessary regulatory approvals for transfer of operation of the leased or purchased assets to the Lessee or Buyer, as applicable. The “closing” of the sale pursuant to the APSA or commencement of the Lease term, as applicable, will occur when all regulatory and other stated conditions to the effective transfer of operations to the Buyer or Lessee have

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occurred. The APSA or Lease will contain a target date for the closing of December 31, 2023, or such later date as the parties may agree in writing.

This RFP is organized into the procedural matters set forth in Sections V and VI below and the following four substantive sections, and proposals should likewise be organized in accordance with the numerical system for the substantive sections as listed below:

0. I. Minimum Qualifications to Respond: Section I of each proposal should evidence whether the prospective Buyer or Lessee meets each of the specific criteria to submit a response to this RFP. Section I of this RFP identifies these requirements and also provides other background information required to be submitted by each Bidder.
0. II. Description and Background of Greenwood Leflore Hospital and Other Assets Offered for potential Sale or Lease: This section of the RFP provides a description of the Hospital and related assets that are currently operated by the Greenwood Leflore Hospital Board of Commissioners (“Hospital Board”) and offered for potential Sale or Lease by the County and City. This Section provides a description of contracts executed by or on behalf of the Hospital Board that are offered to be assigned to and assumed by the successful Bidder. Section II also contains an overview of the Hospital’s history, and its organizational and operational structure. Bidders are encouraged, but are NOT required, to offer a purchase or lease proposal for all of the assets offered for Sale or Lease. Thus, Section II of each proposal should clearly define any assets described in Section II of this RFP that the Bidder does not desire to purchase or lease and any disclosed contracts that the Bidder does not desire to assume. Likewise, if a Bidder desires to lease or purchase any assets owned by the County and/or City that are not described in Section II of this RFP and that may not currently be dedicated to healthcare operations, such Bidder should include within Section II an alternate proposal for inclusion of such assets within the APSA or Lease and a description of the purchase price or rent increase and other benefits to be derived from the citizens of the City and County by inclusion of such additional assets with the proposed APSA or Lease.
0. III. Objectives of the County and City: Included in Section III are the objectives of the County and City consistent with the attached Resolutions. Section III of each proposal should describe how the Bidder’s proposal will achieve these objectives.
0. IV. Minimum Commercial Terms: This section outlines the minimum terms required of all proposals submitted in response to this RFP. Each bidder may, but is not required to, submit a proposed suggested Lease form and/or suggested Draft APSA that contains these minimum terms consistent with the Bidder’s proposal. Section IV of each proposal should also clearly state the Bidder’s rationale for any exceptions proposed by a Bidder to any of the minimum terms set forth in Section IV of this RFP and the cost/rent

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or price benefits expected to be realized by the County and City as a result of such exception.

0. V. Timetable and Instructions: The schedule for submittal of responses and general bid instructions are provided in section V of this RFP.
0. VI. Evaluation Process: Section VI of this RFP describes the evaluation process that will be used by the County and City to review the proposals.
 - 1.

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2.

3. VII. Exhibits: Section VII identifies the Exhibits associated with this RFP that will be provided only to those bidders that sign and return a Proprietary Information and Non-Disclosure Agreement in order to obtain access to Hospital's secure document web-based virtual library.

4.

I. MINIMUM QUALIFICATIONS TO RESPOND

- a. A. Each Bidder is required to propose either a Lease without Purchase Option, a Lease with Purchase Option, a Purchase or alternative bids for each option and to identify the prospective Purchaser or Lessee, if different from the Bidder. Each Bidder should also describe the organizational and ownership structure of the proposed Purchaser or Lessee, and certify each of the following (or prior to the Bid Submittal Date **secure a waiver** from the City and County for any item that Bidder cannot so certify) in order to submit a response to this RFP:
- 1.1 At least ten (10) years operational experience of licensed hospitals by the proposed Lessee or Purchaser submitting the proposal (experience of the Bidder's affiliate or predecessor companies may be submitted with explanation of relationship to Bidder's current management team);
 - 1.2 Neither Bidder nor its affiliated companies has been indicted or convicted of any criminal offense that could result in exclusion of the Bidder or an affiliate of the Bidder being excluded from Medicare, Medicaid or other federal healthcare programs;
 - 1.3 Bidder and its affiliated companies have never been suspended or excluded from participation in Medicare, Medicaid or other Federal healthcare programs;
 - 1.4 A net worth of at least \$75,000,000.00 or submit other proof of adequate financial resources available to the prospective Purchaser or Lessee to purchase or lease, as applicable, and operate the purchased or leased assets, including without limitation, copies of most recent audited financial statements for last three years reflecting assets allowing the proposed Purchaser or Lessee (or parent company) to meet the minimum commercial requirements set forth in Section IV of this RFP, any parent or affiliate guarantees to be offered, any public credit ratings, and if the

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Bidder anticipates financing the purchase or lease through an affiliate, the Bidder should submit similar information with respect to that affiliate;

- 1.5 Guarantee an open Medical Staff and that appointments to the Medical Staff of the Purchaser or Lessee are and will be made and access to services is and will be provided without regard to economic status, physical status, race, ethnic origin, sex, age or religious affiliation;
- 1.6 6. Demonstration or certification the prospective Purchaser or Lessee will agree to guarantee the provision of the following level of services following the Closing, at a minimum: continuation of charity care no less than current levels; continuation of general acute care beds, rehabilitation, surgery and emergency room services as currently offered, unless the County and City agree to a reduction in services. The Bidder shall also explain how currently offered specialty services will continue to be available to residents of the service area, and recruitment efforts that will be undertaken by the Bidder to recruit and retain these specialists in the County and City;
- 1.7 Commitment to make capital improvements to the purchase or leased assets of at least \$10,000,000 Million over five (5) years from the Closing;
- 1.8
- 1.9 Bidder must certify that it has full legal or corporate authority to submit its binding lease or purchase proposal, as evidenced by certified copy of board minutes, which should be included with the proposal.
- 1.10
- 1.11 8. Annual or monthly rent payments for real property and tangible property.
- 1.12
- 1.13 9. **Neither the County, City nor the Hospital intend to pay premiums for prior acts professional liability coverage for its licensed employees and prior operations that have been subject to statutory sovereign immunity. However, the Hospital's professional and general liabilities are covered under the Mississippi Tort Claims Act.** Each Bidder shall describe the prospective Buyer or Lessee's current insurance program.
- 1.14
- 1.15 10. In the event the Bidder or the proposed Purchaser or Lessee is another governmental entity enjoying statutory sovereign immunity, such Bidder should explain how it will protect the County and City from claims or liability arising following the Closing in absence of ability to provide

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an enforceable third party indemnity. If such governmental Bidders believe that they have authority to issue valid indemnities to the County and City, they should include a binding legal opinion addressed to the County and City to such effect as part of the binding proposal.

- B. In addition to the foregoing minimum requirements, each Bidder should provide the following background information to aid in the evaluation of Bids:
- 1.16
 - 2.
 - 1. Purpose of all debt or bond issues of the Bidder or any affiliates of Bidder serving as a guarantor for the proposed Lease or APSA within the past three (3) years and assigned rating of the issue, together with a copy of the Official Statement (if applicable);
 - 3. Summary listing by facility and budget amount of any expansion or renovation programs either underway or planned for existing hospital facilities operated by Bidder or any affiliates of Bidder serving as a guarantor for the proposed Lease or APSA in the next twelve (12) months;
 - 4. Method of financing for planned expansion or renovations listed in item B.6 above, including relevant terms, conditions and rating (if applicable);
 - 5. Names of all legal, consulting and financial firms engaged to assist the Bidder in submitting a proposal and closing this proposed transaction;
 - 1.1 5. A record of community service in the communities in which institutions affiliated with the Bidder are presently located. Bidder should include public education, indigent care and similar programs that it currently provides and would anticipate extending to its operations in Greenwood and Leflore County if its proposal is successful.
 - 1.2
 - 1.3 6. Each Bidder should describe any pending litigation against the Bidder or the parent company of any special purpose company to be formed as the Purchaser or Lessee.
 - 1.4
 - 1.5 7. Each Bidder should list any other managed care program in which the Bidder participates but in which Hospital is NOT currently participating (i.e., not listed on Exhibit 8) that is proposed by Bidder to be expanded so that the covered services under such new managed care plan will be offered in the purchased or leased facilities in Greenwood under such program to its beneficiaries.

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1.6

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8. Each Bidder should describe the accreditation status of facilities it currently operates and whether it intends to maintain Joint Commission or other accreditation for the Hospital following the Closing.

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1.9

9. Each Bidder must specify whether it proposes operations on a for-profit or non-profit basis.

6. II. DESCRIPTION AND BACKGROUND OF GREENWOOD LEFLORE HOSPITAL and RELATED ASSETS OFFERED FOR LEASE

6.1 A. The Hospital.

1.1

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The Hospital is a community hospital organized pursuant to the Mississippi Community Hospital Act which is jointly owned by Leflore County, Mississippi, and the City of Greenwood. It is licensed to operate 208 inpatient beds, 9 of which are Intensive Care, and 20 Rehabilitation beds, outpatient care facilities and physician clinics. The Hospital is governed by a 5-member Board of Hospital Commissioners, 2 who are appointed by the Board of Supervisors of Leflore County, 2 who are appointed by the Mayor and Board of Commissioners of the City of Greenwood, and 1 who is jointly appointed by both Owners. The Hospital is an independent enterprise held and operated separately and apart from the other assets and activities of the City or County. The Hospital is not a taxable entity and does not file income tax returns.

Assets excluded from the sale or potential Lease consist of Hospital cash in depositories, accounts receivables, cost report settlements and other excluded assets as described on Exhibit 14. Liabilities excluded from the potential Lease consist of accounts payable, other current liabilities, debt and lease obligations.

B. Currently Leased Facilities.

1. The Hospital currently leases from third parties the facilities and equipment as listed in Exhibit 9.
- 1.3 2. The Hospital currently leases to other providers space and facilities described on Exhibit 10.

1.4

Each Bidder should explain in its bid whether it desires for any or all of the current leases to be terminated or whether the Bidder desires to assume the Hospital's rights and obligations under the current leases.

C. Governing Board and Patient Base.

The Hospital is a governmental component unit of Leflore County, Mississippi, and the City of Greenwood, Mississippi, and has financial accountability to the County and the City. From the review of Carr Riggs & Ingram, LLC, approximately 85 percent of the inpatient utilization from all of the citizens of Leflore County is obtained from the Hospital and approximately 58% of the Hospital's inpatients reside in Leflore County. (See Exhibit 3). The Hospital is governed by a five-member Hospital Board, two of whom are appointed by the Board of Supervisors of Leflore County, two of whom are appointed by the Mayor and the City Council, and one of whom is jointly appointed by both

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Owners. This board will not dissolve upon the execution and delivery of a long-term Lease or APSA, but will dissolve upon closing of the Lease or APSA, as applicable, except to the extent such Board may be retained to wind down the affairs of the hospital district and as a fiduciary for the Retirement Plan as described in Exhibit 13. It is desired and viewed as a minimum condition that the transition period from the signing of the Lease or APSA until hospital operations commence by the Lessee or Purchaser upon Closing will occur without any interruption of service for hospital patients or any undue interference or disruption of the practice of medicine by Hospital's Medical Staff.

D. Executory Contracts.

A list of material executory contracts is attached as Exhibit 8 and facility and space leases are in Exhibits 9 and 10. **Only those Bidders who sign and return to Hospital the Proprietary Information and Non-Disclosure Agreement attached as Exhibit 2** hereto will be entitled to review most of these contracts that the Hospital will make available via a secure document web-based virtual library from the Bidder's location. However, some physician contracts will be available only at the Hospital during a second stage of due diligence conducted only by those selected bidders who submit responsive bids demonstrating compliance with the minimum requirements in Part I.A above. Each Bidder should specifically define in its proposal any contract made available for viewing during the pre-bid due diligence on Exhibits 8 - 10 that it does not agree to assume.

In addition the County and City intend for the successful Bidder to assume additional purchase orders for supplies and goods that are not specifically itemized but are routinely issued by the Hospital in accordance with applicable public purchase laws and in the Hospital's normal course of business, including without limitation, contracts and purchase orders issued during the transition period between execution of the Lease or APSA and the Closing.

1.5 E. Selected Summary Financial Information.

The audited financial statements with opinions and footnotes, for the years ending September 30, 2021 and 2020 and the most recent unaudited financial statements for 2022 are available. See Exhibits No. 4 and 5.

III. OBJECTIVES OF THE COUNTY AND CITY.

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A. General.

The County and City are seeking a qualified Lessee or Purchaser of the Hospital assets to maximize the total value of the County and City's healthcare facilities, to provide for the continued operation of the facility as a general acute care hospital and rehabilitation services unit. Services should be continued without interruption during the transition from operation by the Hospital Board to operation by the Lessee or Purchaser and the Lessee or Purchaser should agree to assist the Medical Staff in providing the highest quality medical care at the lowest reasonable cost to the residents of County and City and the Hospital's service area. Thus, each Bidder should evidence its commitment to quality service and its ability and willingness to work with and expand the Medical Staff, to continue existing Hospital services and to obtain all regulatory approvals for the transition expeditiously. Each Bidder should also outline or summarize its short and long range recommendations with respect to strategic issues, competitive assessments, service growth, physician mix and recruitment, facility and equipment upgrades, and its ability to expand or enhance hospital and professional physician services to be made available to citizens by the Hospital following the proposed sale or lease.

B. Employment.

The County and City also desire to maximize opportunities for its medical staff and its workforce. In addition to the assumption of written key contracts with physicians and physician groups as listed on Exhibit 8, it is the specific desire of the County and City that currently offered services remain available to the community and that all Hospital employees who are not subject to written contracts be offered continued employment from the Closing of the lease or sale on terms substantially equivalent or better than current salary and benefit programs. Bidders should address their ability or intention to meet the desire of the County and City.

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- a. C. Capital and Service Line Improvements. Each Bidder should propose what capital and service line improvements it will commit to finance and implement and the time table for these enhancements.

IV. REQUIREMENTS FOR THE PURCHASE OR LEASE OF THE FACILITY

Amounts Bid and Payment Terms

Each Bidder should explain whether it can offer greater value to the Owners through an APSA or a Lease and explain whether the Bidder would require a binding purchase option under a proposed Lease. If so, the option price for such purchase must be specified by the Bidder.

For an APSA, Bidders should provide a price and proposed payment terms and explain what contractual remedies will be offered to the County and City in the event of a post-Closing default in the continuing service and charity care obligations to be undertaken by the Bidder. For the Lease, the rent terms must be described and remedies for material default under a proposed Lease must include the right of the City and County to terminate the Lease and have a reversion of the Hospital license, certificate of need and other assets.

Other Commercial Terms

The terms and conditions of any lease or purchase of the Facility must contain certain minimum requirements in addition to the purchase price or rent being proposed. For each such requirement, Bidders should address the manner and method of accomplishing stated objectives and a scheduled timetable for their achievement, as well as a financing plan (if applicable). Minimum specific requirements applicable to the lease proposals to be included within any proposed Lease are as follows:

- B. A. Hospital.

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RFP Non-Negotiable Requirement: The Hospital is a general acute care hospital. It is the Owners' requirement that the hospital continue to be located in Greenwood, Mississippi and that medical services remain available to the community, including without limitation charity care funded by successful bidder following the Closing, unless the City and County agree otherwise as a result of changes in laws, reimbursement or other circumstances beyond the Purchaser's or Lessee's control. Bidders should specifically indicate any suggested additions or changes in Hospital or professional services that are contemplated as a part of their proposals.

C. Medical Staff.

RFP Non-Negotiable Requirement: Bidders should also commit that the selection of individuals as members of the Medical Staff will be made without regard to economic status, disabilities that do not prevent performance of duties inherent to the practice of medicine, race, ethnic origin, sex or age.

RFP Non-Negotiable Requirement: Bidders should commit to continue requirements for Board certification and continue other policies and procedures as set forth in the existing Medical Staff Bylaws, Rules and Regulations and policies for some period of time. Any proposed changes and the time-frame for working with the medical staff for proposed implementation of changes should be discussed in proposals.

RFP Negotiable Requirement: Bidders should document their plan for recruitment and retention of additional specialty physicians and indicate which of those of Hospital's obligations under the Physician Recruitment, Employment and Service Agreements contained in Exhibit 8 they intend to assume.

C.

C. Access to Services.

RFP Non-Negotiable Requirement: All residents of Leflore County, including, without limitation, Medicaid, charity, racial and ethnic minorities, women, handicapped persons and the elderly, should have access to the services of the Hospital following the Closing without regard to insured status. Each Bidder should affirm that all such individuals will have access to Hospital services on a non-discriminatory basis.

C. D. Insurance.

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RFP Non-Negotiable Requirement: Each Bidder must agree to maintain adequate property and liability insurance. See and specifically address the minimum liability insurance discussion in Section I. A.11 above so as to fully address loss of immunity concerns.

RFP Negotiable Requirement: In case of a proposed Lease, the property insurance for the leased assets and operations must be equivalent to that currently in effect, and if less than replacement value, amounts must be acceptable to the County and City, with the County and City named as loss payees.

C. E. Term and Restraints.

RFP Negotiable Requirement for a Lease Proposal: Only if the Proposal is for a Lease, the Bidder should indicate the period of time for which it is willing to lease the Hospital from the County and City. An initial term of at least twenty (20) years is contemplated by the County and City, however, shorter or longer terms not to exceed fifty (50) years will be considered and are negotiable. The Lessee's lease rights will be subject to compliance by the Lessee with the terms and conditions of a lease agreement, which shall include, at a minimum, the non-negotiable items set forth in this Section IV.

RFP Non-negotiable Requirement. No sublease or assignment of any lease during the entire lease term, and no resale or lease or other transfer of Hospital real property shall be allowed during twenty (20) years from the Closing of an APSA or a Lease without prior approval of the County and City.

C. F. Purchase Price and/or Rent.

RFP Negotiable Requirements: The Bidder should clearly state the amount of rent that it is proposing to pay for the lease or purchase price for the Hospital. The purchase price and/or rent should be based on the value of the land, licensed beds and services and facilities owned by the County and City. Purchase Options for real estate and facilities proposed for any Lease must be separately priced by the Bidder.

Moveable tangible property and other current assets for which title is held by the Hospital, instead of the County and City, are intended to be sold and purchased by a successful Bidder at the Closing of any Lease resulting from this RFP so that this value or proposed method of future valuation of the Hospital's moveable equipment and inventory of consumable items as of the Closing should be specified as part of any Lease proposal.

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C. G. Current Assets/Current Liabilities.

RFP Negotiable Requirement: Each Bidder should address the assumption of current assets and liabilities of the Hospital as of the Closing. In addition, the value of the Hospital's inventory of tangible, consumable items on hand as of Closing and proposed to be transferred to the Lessee shall be determined by a physical inventory to be conducted immediately prior to Closing.

C. H. Debt.

RFP Non-Negotiable Requirement: Each Bidder should explain whether it intends to assume the Hospital's existing, disclosed debts and its lease obligations, including the Hospital's unfunded pension liability as described in the actuarial report in Exhibit 13.

C.

C. I. Indemnification.

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RFP Non-Negotiable Requirement: The prospective Lessee or Purchase should agree to indemnify and to hold the City, City officials, County, the members of the Board of Supervisors and other County officials and the Hospital Board members and the County's and City's respective officers, employees and agents harmless from and against any and all liability arising in connection with the operation of the leased assets by the Lessee or Purchase from and after the date of Closing. In the alternative, Bidder may explain any exception or explain any alternative claims escrow or insurance that will be provided at the Bidder's cost to assure equivalent protection. Each Bidder should also acknowledge that the City and County do not have statutory or constitutional authority to providing binding reciprocal indemnification.

J. **Guarantee.**

RFP Non-Negotiable Requirement: To the extent a prospective Lessee or Purchaser is a special purpose company to be established only upon potential selection as the highest and best Bidder, the ultimate parent entity of any successful Bidder should agree to guarantee the full and complete performance of such special purpose company under any Lease or APSA entered into with the County and City.

K. **General Employment and Benefit Continuation.**

RFP Non-Negotiable Requirement: Each Bidder should indicate its willingness to continue to offer employment to those employees of the Hospital on the Closing for at least 12 months from the Closing at terms of employment equal to or better than currently in effect or such longer period as may be contained in any written physician contract listed on Exhibit 8. Termination for "cause" during such 12 months or longer continuation term shall be allowed in the Lessee's or Purchaser's discretion. To the extent possible transferred employees generally should be given credit for all prior service with Hospital with respect to benefit plans provided by Lessee, except as otherwise explained in the bid and agreed by the County and City. **A summary comparison of Hospital's current benefit plans with the benefit plans to be offered by the Lessee or Purchaser should be included with each bid.**

C.
C.
C.

L. **Accounts Receivable of Hospital.**

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- C. RFP Non-Negotiable Requirement: Each Bidder should indicate if it intends to assume the Hospital's provider numbers, as well as related contingent liabilities for retrospective payer adjustments, recoupment, etc.
- C.
- C. M. Option Rights.
- C.
- C. RFP Negotiable Condition. Any lease proposal shall also specify the right and option of the City and County to acquire equipment and other moveable property acquired by the Lessee after the Closing and then in use at the expiration or termination of the Lease Term for a price not to exceed net book value, and all other moveable equipment or property acquired from the Hospital, County or City that may still be in use at the expiration or termination of the Lease shall be returned to the County and City without any payment due.
- C.
- C. N. Warranty Disclaimers.
- C.
- C. Non-Negotiable Requirement. The County and City intend to provide standard representations regarding due authorization for the APSA or Lease and ability to transfer clear title or leasehold title to all the assets to be sold or leased to the successful bidder. However, other than warranties as to title, the assets of the Hospital will be sold or leased on an "AS-IS, WHERE-IS" basis without any express or implied warranties as to value, quality or suitability of the assets being sold or leased, and each Bidder should acknowledge that all implied warranties relating to the condition of the Hospital's tangible assets will be disclaimed and waived.
- O. Environmental.
- RFP Negotiable Requirement: In the event of a Lease proposal, the County and City desire to obtain a Phase I (Baseline) environmental study with respect the Leased Facilities prior to the Closing and an updated Phase I study at the end of the lease. Each Bidder proposing a lease should propose payment responsibility for these environmental studies.
- D. P. Jurisdiction.
-
- RFP Non-negotiable Requirement: Bidders must acknowledge that any Lease or APSA will be governed by the laws of the State of Mississippi and must consent to jurisdiction of the local or state courts located within Leflore County, Mississippi for adjudication of any disputes among the parties to the proposed Lease or APSA.

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V. TIMETABLE AND INSTRUCTIONS FOR RFP PROCESS

A. Timetable.

1. Accepting to Bid. Bidders are requested to notify the City and County at the address and email addresses shown in Section V.A.2 below, and with outside of envelope or email subject line marked "Notice of Intent to Bid Hospital Transaction" if Bidder desires to receive a PIA and thereafter submit a bid.
2. Bids. Five (5) copies of sealed proposals for the lease, with the outside of the envelope clearly marked as "Hospital Lease Proposal," must be received on or before **3:00 p.m., October 13, 2023 ("Bid Due Date")**, by hand delivery, or otherwise physically delivered by public or private carriers or delivery service, including but not limited to U.S. Postal Service Certified Mail with return receipt requested, United Parcel Service, Federal Express, or by any other delivery method with receipt of said proposals, to the office of **Elizabeth G. Hooper, Wise Carter Child & Caraway, P.A., 600 Heritage Building, 401 East Capitol St., Jackson, MS 39201.** An electronic copy of the complete proposal shall be submitted after 3:00 p.m. on the Bid Due Date to egh@wisecarter.com.
3. Evaluations. Bids will be evaluated and negotiations conducted as necessary. Determination as to whether to sell or lease or to continue existing operations of the Hospital is scheduled for no later than November 15, 2023, with any extension of such date to be at the sole discretion of the County and City.
4. Closing. The Closing of the potential sale or lease shall occur on or before December 31, 2023, unless a later date is approved by the County and City.

B. Remote and On-site Due Diligence.

Bidders who have signed Exhibit 2 and who are requesting a password and instructions to access the preliminary due diligence information should submit their access request and a copy of the signed Exhibit 2 to: egh@wisecarter.com.

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Bidders determined by the County and City to meet the minimum requirements of Part I.A above and with whom the County and City desire to pursue further negotiations will be allowed to submit requests for an on-site inspection of the assets offered for potential sale or lease and to review the Hospital's books and records not otherwise made available during the preliminary, pre-bid due diligence.

Visits to the Hospital by qualified Bidders engaging in further discussions of their proposals with the County and City and that have signed and returned Exhibit 2 will be scheduled in advance on as-requested first come, first serve basis on weekdays between 8:00 a.m. and 4:30 p.m.

- A.
- C. General Instructions.

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1. Examination. Each Bidder is responsible for thoroughly examining all of the RFP and Bid Documents. The failure to access or examine any Document made a part of this RFP shall not relieve the Bidder from any obligation with respect to its bid, and any successful Bidder shall not at any time after acceptance of its Proposal make any claims alleging insufficient data or incorrectly assumed conditions, but express assumptions and conditions of verification of assumptions through post-bid facility inspection are allowed, if such conditions and assumptions are clearly set forth within the proposal. Any questions arising from Bidder's pre-bid investigations shall be in writing and should be submitted in accordance with Paragraph 2 below.
2. Questions and Addenda. Should a Bidder find discrepancies or have any questions as to the meaning of any portion of the RFP Documents, the Published notice of this RFP or the assets being offered for sale or lease, the Bidder shall submit via hardcopy and email to the addresses set forth in Section V.A, a written request for interpretation or correction of the RFP Documents, prior to submittal of the Bidder's Proposal. Any interpretation or correction of the RFP Documents will be made only by addenda to be duly issued by County and City to all Bidders that have submitted a Notice of Intent to Submit a Proposal. The City and County shall not be responsible for any other explanations or interpretations of the RFP Documents. Receipt of each addendum shall be acknowledged in the Bidder's Proposal. Addenda to the RFP Documents will be incorporated into the final APSA or Lease.
4. Execution of Proposal. If a Proposal is made by a partnership, the Proposal shall contain the names and addresses of each partner and shall be executed in the firm name and followed by the handwritten signature of a partner authorized to execute the Proposal for the partnership.

If a Proposal is made by a corporation or a limited liability company, the Proposal shall be executed in the name of the corporation or company and followed by the handwritten signature of an officer or agent authorized to execute the Proposal for the corporation or company, and the printed or typewritten designation of the position held in the corporation or company.

In cases of bids submitted by political subdivisions, corporations or limited liability companies, the Bidder must include with the bid a

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certified board resolution or other evidence of the authority of the person signing the bid to bind the corporation or company.

Any erasures, corrections, or changes to entries made on the submitted Proposal must be initialed by the authorized representative signing the Proposal.

5. Exceptions. All terms and conditions contained in Part IV of this RFP should be reviewed, and any exceptions proposed must be set forth in writing with Bidder's rationale and quantitative cost data depicting the cost effect realized by the Bidder's exceptions. Submittal of Bidder's standard lease or purchase terms and conditions or form agreements as an exception to the minimum terms and conditions contained in Part IV above shall be considered nonresponsive.
6. Schedules for Proposed Closing. Bidders shall provide a comprehensive schedule of regulatory requirements and any other conditions precedent to a "closing" of the APSA or Lease.
7. Alternate Commercial Requirements. Alternative and supplemental articles beyond those required by Part IV may be proposed and may be negotiated with the successful Bidder prior to the final award of the contract for either a Lease or APSA. **Creative alternatives that expand healthcare service availability and enhance the value of the existing assets are encouraged.**
8. Proposal Validity and Withdrawal. Prior to the Bid Due Date, a Bidder may withdraw a previously submitted Proposal by giving written notice to the addressees set forth in Paragraph V. A.2 above. After the Bid Due Date, no Bidder will be permitted to withdraw its Proposal until the expiration of 120 days after the Bid Due Date. Negligence on the part of the Bidder in preparing its Proposal confers no rights for withdrawal or modification after the time set for the bid receipt.
9. Modification of Submitted Proposals. A modification of a Proposal already received will be considered only if the modification is also received prior to the Bid Due Date. Modifications must be clearly identified as a "Proposal Modification" on the outside of the envelope and must be made in writing and executed in the same manner as the original Proposal. **Telephone or modifications solely by email or fax will not be considered.**

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VI. EVALUATION PROCESS

The introductory paragraphs to this RFP explain the evaluation criteria and general process for review and negotiation of proposals. The objectives of the County and City are in Section III above and the timetable is in Section V above. The County and City will not award any APSA or Lease unless both the County and City first decide that any Proposal is in the best interests of the citizens of the City and County and their continued health and welfare. **Thus, in the event no such agreement or decision is reached, the City and County expressly retain the right to reject any or all of the Proposals or any portion thereof and also retain the right to modify this Request for Proposal and to re-advertise and accept new bids.** Bidders will be notified in either case. Either before or after final selection of a successful Bidder, the County and City further reserve the right to negotiate exceptions that may be proposed to the negotiable aspects of the terms and conditions contained in the RFP Documents. Requirements in Part IV of this RFP shown as “non-negotiable” are not intended to be negotiated.

If deemed necessary by the City or County, Bidders may be asked to make a presentation in Greenwood, Mississippi. If requested to make such a presentation, sufficient notice will be provided.

Bidders should carefully follow the instructions in Section V above in order to assure evaluation of the bid. However, the County and City expressly reserve the right to waive any irregularities in the submitted proposals or failure of a Bidder to follow the Bid Instructions.

The County and City each expressly reserves the right to reject any and all proposals submitted in response to this RFP.

Any award of a Lease Contract or APSA pursuant to this Request for Proposal shall be contingent upon approval by both the County Board of Supervisors, the City Council of the City of Greenwood and the Board of Commissioners of Greenwood Leflore Hospital in accordance with the Code.

VII. RFP ATTACHMENTS/EXHIBITS

Attached Exhibits:

1.1 RFP Resolutions

1.2

1.3 Proprietary Information and Non-Disclosure Agreement

1.4 Exhibits Provided Remotely VIA Web Platform Following Execution of Exhibit 2:

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<u>1.5</u>	<u>41-13-15(8) Report from Carr, Riggs & Ingram, LLC</u>
<u>1.6</u>	
<u>1.7</u>	<u>Audited Financial Statements for Fiscal Years 2021 and 2020</u>
<u>1.8</u>	<u>5. Current unaudited Financial Statement</u>
<u>1.9</u>	<u>6. Full Time Employees by Department and Active Medical Staff Members</u>
<u>1.10</u>	<u>7. Employee Handbook and Summary of Benefit Plan</u>
<u>1</u>	
<u>100</u>	<u>8. Material Contracts (Services, Executive Employment, Managed Care,</u>
<u>100</u>	<u>EHR Systems, Physician Contracts, etc.)</u>
<u>100</u>	
<u>100</u>	<u>9. Leases of space or facilities operated by Hospital</u>
<u>100</u>	
<u>100</u>	<u>10. Leases of Hospital space to Third Parties</u>
<u>1</u>	
<u>1</u>	<u>11. Medical Staff Bylaws, Rules, Regulations and Policies</u>
<u>1</u>	
<u>1</u>	<u>12. Listing of current liability and property insurance covering Hospital</u>
<u>1</u>	
<u>1</u>	<u>13. Pension Plan Actuarial Report</u>
<u>1</u>	
<u>1</u>	<u>14. Excluded Assets</u>