

SECOND AMENDATORY AGREEMENT

THIS SECOND AMENDATORY AGREEMENT is made and entered into by and between the **CITY AND COUNTY OF DENVER**, a municipal corporation of the State of Colorado (the "City"), and **ERNST & YOUNG LLP**, a limited liability partnership organized in the State of Delaware, whose address is 200 Plaza Dr., Secaucus, New Jersey, 07094 (the "Consultant").

WITNESSETH:

WHEREAS, the City and the Consultant previously entered into an Agreement dated November 3, 2021 as amended on December 7, 2022 (collectively, the "Agreement") relating to advisory services in connection with the American Rescue Plan Act (ARPA) grant program as well as support as requested for other state and federal funding related to COVID-19; and

WHEREAS, the City and the Consultant have determined to revise the Scope of Work for the grant programs for a specific portion of work under the Agreement;

NOW, THEREFORE, in consideration of the premises and the mutual covenants and obligations herein set forth, the parties agree as follows:

1. The Scope of Work as revised for the additional term is attached hereto and incorporated herein as **Exhibit A-2** and all references to "**Exhibits A and A-1** as applicable" are hereby amended to read "**Exhibits A, A-1, and A-2** as applicable".

2. Except as herein amended, the Agreement is affirmed and ratified in each and every particular.

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Contract Control Number: FINAN-202369089-02/202159995-02
Contractor Name: ERNST & YOUNG US LLP

IN WITNESS WHEREOF, the parties have set their hands and affixed their seals at Denver, Colorado as of:

SEAL

CITY AND COUNTY OF DENVER:

ATTEST:

By:

APPROVED AS TO FORM:

REGISTERED AND COUNTERSIGNED:

Attorney for the City and County of Denver

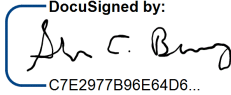
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Contract Control Number:
Contractor Name:

FINAN-202369089-02 /202159995-02
ERNST & YOUNG US LLP

By:  _____
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Name: Steven Bussey
(please print)

Title: Managing Director
(please print)

ATTEST: [if required]

By: _____

Name: _____
(please print)

Title: _____
(please print)

EXHIBIT A-2

For work beginning on June 19, 2023 and occurring through August 14, 2023
(exhibit follows)

City and County of Denver
Amendment No. 2 to Statement of Work

This Scope of Work amendment, dated June 19, 2023 (this “Amendment”) amends the Statement of Work, dated, October 15, 2021 (the “Original SOW” and as modified by this the amendment dated December 7, 2022 Amendment, all collectively the “SOW”), between Ernst & Young LLP (“we” or “EY”) and **the City and County of Denver** (“you” or “Client”) related to the ***advisory services in connection with the American Rescue Plan Act grant program as well as support requested for other state and federal funding related to COVID-19***. Capitalized terms used, but not otherwise defined, in this Amendment shall have the respective meanings ascribed to them in the Original SOW and identical terms defined in this Amendment and in the Original SOW shall have the respective meanings ascribed to them herein. The Original SOW was executed pursuant to the agreement, dated October 15th, 2021, and an amendment thereto on December 7, 2022 between EY and **the City and County of Denver** (collectively, the “Agreement”).

Except as modified by this Amendment, all terms and conditions of the SOW shall continue in full force and effect and be unaffected by this Amendment.

Scope of services

In addition to the services set out in the SOW, we shall perform the following additional services (such additional services, together with the services described in the Original and Amended SOW, the “Services”):

Due to COVID-19 and ongoing recovery efforts, we will support CCD with establishing a fact base to support operating agreement discussions with Denver Health. While specific activities may evolve due to the complexity of this situation, we expect to complete the following activities in a 7–8 week timeframe:

Hospital Benchmarking and Operating Performance Analysis.

- Review and provide strategic options for Denver Health key services, programs, key performance indicators, comparing Denver Health to other safety net providers through data analysis from publicly available sources (and internal Denver Health sources if available)
- Analyze patient origin and services provided for uncompensated care patients across Colorado, considering the patients from outside CCD and the disease conditions of those patients (if available)

County Health Care Subsidy Market Research.

- Examine other growing, similar sized cities/counties and their funding to safety net hospitals relative to demographics & socioeconomic factors giving understanding to the burden of the population served; also consider health status and outcomes of the population
- Consider the governance structure of funding arrangements and sources and uses of funds to support health care services

Workshop and interviews.

- Conduct workshop with Denver stakeholders (and external stakeholders, if desired) to discuss preliminary hypotheses and information assembled to inform finalization of the fact base
- Interview executives at Denver Health (if made available) to review data and discuss any existing financial gaps, any performance improvement efforts to date and other inputs key to informing the fact base

Financial Analysis.

- Understand holistic picture of costs to CCD supporting Denver Health
- Analyze Denver Health expenditures on services and programs funded by CCD through a review of key financial statements and supporting materials provided by CCD (e.g. invoices) to develop the picture of financial support and flow of funds for services provided by Denver Health
- Determine assumptions, factors and design choices to be considered as levers in determining future funding levels through discussions with Denver stakeholders; model scenarios of potential funding levels

Strategy & Negotiation Preparation.

- Review operating agreements and articles of incorporation to assess legal and financial obligation to support Denver Health
- Share insights, considerations, and strategic options on potential scenarios related to funding provided to Denver Health through the operating agreements by leveraging EY experience
- Develop strategies and support recommendations by providing key topics & talking points and conducting preparatory workshop(s) with Denver stakeholders

Reports¹

In **addition to** the Reports set out in the SOW, we will prepare the following Reports:

Engagement Deliverable: Negotiation Fact Base.

¹ “Report” is defined in the Agreement as including all information, advice, recommendations, templates or other content of any reports, presentations, or other communications we provide to you.

Based on above analyses, synthesize findings in to a "fact base" to inform various stakeholders involved in this process and provide a base of information from which to negotiate the new agreement with Denver Health.

Notwithstanding the restrictions on disclosure set forth in the Agreement, Client may incorporate the information, advice, recommendations or other content from EY's Reports provided to Client on a white paper/unbranded basis into any memorandum, report, summary or compilation, whether oral or written, produced by Client or on Client's behalf ("Client Documents") and provide such Client Documents to third parties without EY's further consent or obtaining an access letter from such third parties, provided that Client (a) assumes sole responsibility for all such Client Documents as if they had been prepared solely by Client and (b) does not name or refer to EY in connection with, or otherwise associate EY, any other EY Entity or any personnel thereof directly or indirectly with any such Client Documents

Specific Additional Terms and Conditions

Timetable

Subject to the terms and conditions of the Agreement and the SOW, and notwithstanding anything in the SOW to the contrary, we expect to perform the Services during the period from June 19, 2023, to August 14th, 2023. Incremental requests to the described scope and/or requested extension to the timeframe in support of additional stakeholder discussions will be mutually agreed to in an addendum to this Agreement.

Portion of Fees

The terms and conditions of the Agreement address our fees and expenses generally. As part of the fees and expenses described in the Original SOW, our fees and expenses for the additional services described in this Exhibit A-2 shall be a maximum of \$405,000.