



# **Application for Certificate of Need**

**Barnes-Jewish St. Peters Hospital  
Acquire DaVinci Robot System**

**Project #6088 HS**

**Submitted To  
Missouri Health Facilities Review Committee**

**February 2024**



Certificate of Need Program  
**NEW OR ADDITIONAL EQUIPMENT APPLICATION**  
 Applicant's Completeness Checklist and Table of Contents

Project Name: \_\_\_\_\_ Project No: \_\_\_\_\_

Project Description: \_\_\_\_\_

Done Page N/A Description

**Divider I. Application Summary:**

1. Applicant Identification and Certification (Form MO 580-1861)
2. Representative Registration (From MO 580-1869)
3. Proposed Project Budget (Form MO 580-1863) and detail sheet with documentation of costs.

**Divider II. Proposal Description:**

1. Provide a complete detailed project description and include equipment bid quotes.
2. Provide a timeline of events for the project, from CON issuance through project competition.
3. Provide a legible city or county map showing the exact location of the project.
4. Define the community to be served and provide the geographic service area for the equipment.
5. Provide other statistics to document the size and validity of any user-defined geographic service area.
6. Identify specific community problems or unmet needs the proposal would address.
7. Provide the historical utilization for each of the past three years and utilization projections through the first three (3) **FULL** years of operation of the new equipment.
8. Provide the methods and assumptions used to project utilization.
9. Document that consumer needs and preferences have been included in planning this project and describe how consumers had an opportunity to provide input.
10. Provide copies of any petitions, letters of support or opposition received.
11. Document that providers of similar health services in the proposed service area have been notified of the application by a public notice in the local newspaper.
12. Document that providers of all affected facilities in the proposed service area were addressed letters regarding the application.

**Divider III. Service Specific Criteria and Standards:**

1. For new units, address the minimum annual utilization standard for the proposed geographic service area.
2. For any new unit where specific utilization standards are not listed, provide documentation to justify the new unit.
3. For additional units, document compliance with the optimal utilization standard, and if not achieved, provide documentation to justify the additional unit.
4. For evolving technology address the following:
  - Medical effects as described and documented in published scientific literature;
  - The degree to which the objectives of the technology have been met in practice;
  - Any side effects, contraindications or environmental exposures;
  - The relationships, if any, to existing preventive, diagnostic, therapeutic or management technologies and the effects on the existing technologies;
  - Food and Drug Administration approval;
  - The need methodology used by this proposal in order to assess efficacy and cost impact of the proposal;
  - The degree of partnership, if any, with other institutions for joint use and financing.

**Divider IV. Financial Feasibility Review Criteria and Standards:**

1. Document that sufficient financing is available by providing a letter from a financial institution or an auditor's statement indicating that sufficient funds are available.
2. Provide Service-Specific Revenues and Expenses (Form MO 580-1865) projected through three (3) **FULL** years beyond project completion.
3. Document how patient charges are derived.
4. Document responsiveness to the needs of the medically indigent.

**Divider I. Application Summary:**

***1. Applicant Identification and Certification (Form MO 580-1861).***

See attached.

***2. Representative Registration (Form MO 580-1869).***

See attached.

***3. Proposed Project Budget (Form MO 580-1863) and detail sheet.***

See attached.




Certificate of Need Program

**APPLICANT IDENTIFICATION AND CERTIFICATION**

The information provided must match the **Letter of Intent** for this project, without exception.

**1. Project Location** (Attach additional pages as necessary to identify multiple project sites.)

Title of Proposed Project Barnes-Jewish St. Peters Hospital--add DaVinci robot system		Project Number 6088HS
Project Address (Street/City/State/Zip Code) 10 Hospital Dr, St Peters, MO 63376		County St. Louis 

**2. Applicant Identification** (Information must agree with previously submitted Letter of Intent.)

List All Owner(s): (List corporate entity.)	Address (Street/City/State/Zip Code)	Telephone Number
Barnes-Jewish St. Peters Hospital	10 Hospital Dr, St Peters, MO 63376	314-323-1231
(List entity to be licensed or certified.)		
List All Operator(s):	Address (Street/City/State/Zip Code)	Telephone Number
Barnes-Jewish St. Peters Hospital	10 Hospital Dr, St Peters, MO 63376	314-323-1231

**3. Ownership** (Check applicable category.)

Nonprofit Corporation     
  Individual     
  City     
  District  
 Partnership     
  Corporation     
  County     
  Other \_\_\_\_\_

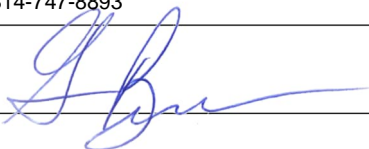
**4. Certification**

In submitting this project application, the applicant understands that:

- (A) The review will be made as to the community need for the proposed beds or equipment in this application;
- (B) In determining community need, the Missouri Health Facilities Review Committee (Committee) will consider all similar beds or equipment within the service area;
- (C) The issuance of a Certificate of Need (CON) by the Committee depends on conformance with its Rules and CON statute;
- (D) A CON shall be subject to forfeiture for failure to incur an expenditure on any approved project six (6) months after the date of issuance, unless obligated or extended by the Committee for an additional six (6) months;
- (E) Notification will be provided to the CON Program staff if and when the project is abandoned; and
- (F) A CON, if issued, may not be transferred, relocated, or modified except with the consent of the Committee.

We certify the information and date in this application as accurate to the best of our knowledge and belief by our representative's signature below:

**5. Authorized Contact Person** (Attach a Contact Person Correction Form if different from the Letter of Intent.)

Name of Contact Person Greg Bratcher		Title Dir., Government Relations
Telephone Number 314-323-1231	Fax Number 314-747-8893	E-mail Address gbratcher@bjc.org
Signature of Contact Person 		Date of Signature 2/22/2023



Certificate of Need Program

**PROPOSED PROJECT BUDGET**

**Description**

**Dollars**

**COSTS:\***

*(Fill in every line, even if the amount is "\$0".)*

1. New Construction Costs ***	_____
2. Renovation Costs ***	_____
<b>3. Subtotal Construction Costs</b> (#1 plus #2)	<b>\$0</b>
4. Architectural/Engineering Fees	_____
5. Other Equipment (not in construction contract)	_____
6. Major Medical Equipment	<b>\$2,460,750</b>
7. Land Acquisition Costs ***	_____
8. Consultants' Fees/Legal Fees ***	_____
9. Interest During Construction (net of interest earned) ***	_____
10. Other Costs ***	_____
<b>11. Subtotal Non-Construction Costs</b> (sum of #4 through #10)	<b>\$2,460,750</b>
<b>12. Total Project Development Costs</b> (#3 plus #11)	<b>\$2,460,750 **</b>

**FINANCING:**

13. Unrestricted Funds	<b>\$2,460,750</b>
14. Bonds	_____
15. Loans	_____
16. Other Methods (specify)	_____
<b>17. Total Project Financing</b> (sum of #13 through #16)	<b>\$2,460,750 **</b>

18. New Construction Total Square Footage	_____
19. New Construction Costs Per Square Foot *****	_____
20. Renovated Space Total Square Footage	_____
21. Renovated Space Costs Per Square Foot *****	_____

\* Attach additional page(s) detailing how each line item was determined, including all methods and assumptions used. Provide documentation of all major costs.

\*\* These amounts should be the same.

\*\*\* Capitalizable items to be recognized as capital expenditures after project completion.

\*\*\*\* Include as Other Costs the following: other costs of financing; the value of existing lands, buildings and equipment not previously used for health care services, such as a renovated house converted to residential care, determined by original cost, fair market value, or appraised value; or the fair market value of any leased equipment or building, or the cost of beds to be purchased.

\*\*\*\*\* Divide new construction costs by total new construction square footage.

\*\*\*\*\* Divide renovation costs by total renovation square footage.

## Divider II. Proposal Description:

### *1. Provide a complete detailed project description.*

Barnes-Jewish St. Peters Hospital seeks to acquire a DaVinci Xi robot. The proposed machine is the current standard of care in the rapidly evolving field of general robotic surgery.



Robotic surgery provides a less invasive surgical treatment and offers great promise for treating conditions that previously had few effective treatment options. It has been shown that patients whose cases were performed with robotic assistance:

- Experience less blood loss
- Recover more quickly and experience shorter lengths of stay
- Have a lower incidence of serious side effects, especially incontinence and impotence
- Have smaller incisions for less scarring

The DaVinci Xi is equipped with the following features:

- Overhead orientation of the four robotic arms improves anatomical access. This arrangement gives surgeons the ability to perform surgical procedures with one incision that previously might have required two or more.
- A new digital architecture improves visual definition and clarity.
- An ability to attach the endoscopic camera to any arm provides flexibility for visualizing the surgical site.
- Smaller, thinner arms with newly designed joints that offer a greater range of motion. One of the key advantages of robotic surgery is that the tools are able to move in ways and into positions that are otherwise impossible.
- Longer instrument shafts designed to give surgeons greater operative reach.
- Integrated table motion technology that allows dynamic positioning of the operating table for optimal access to target anatomy.

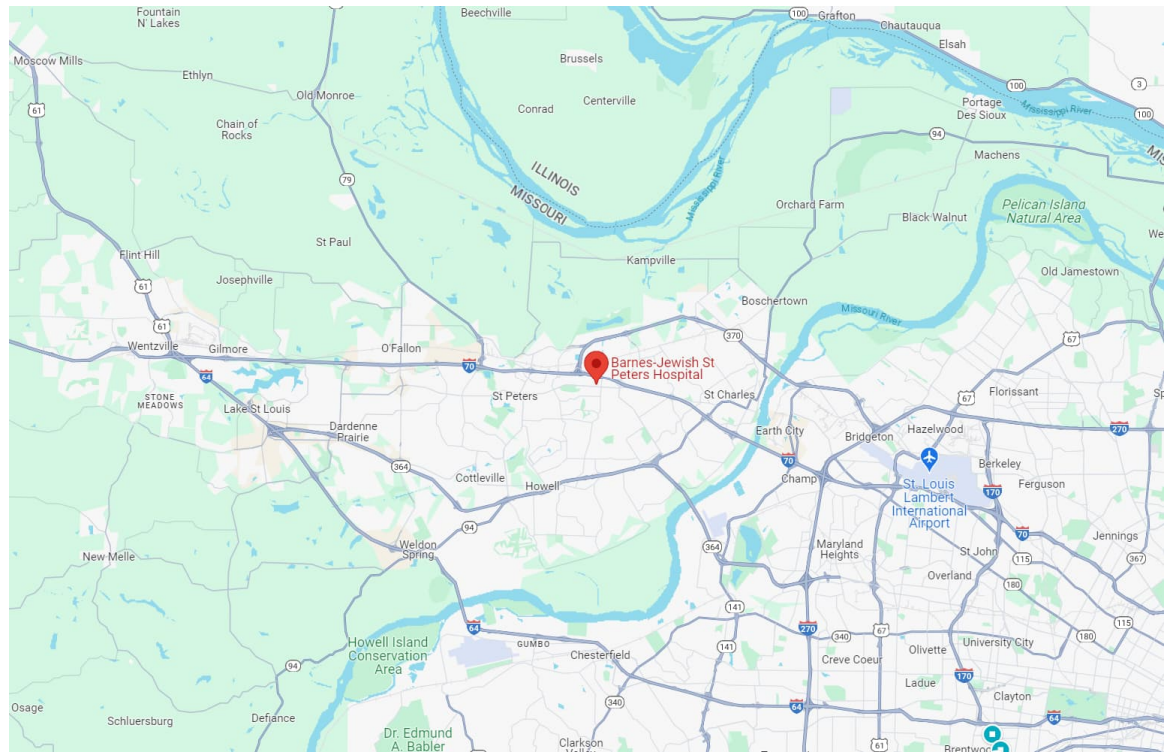
The Xi unit will be leased, as is now the standard method for acquiring these machines by BJC HealthCare. The retail value of the unit is \$2,460,750.

***2. Provide a timeline of events for the project, from CON issuance through project competition.***

Provided a CON is issued, this estimated timeline should follow:

<b>Order system</b>	If approved, later in May
<b>Delivery of system</b>	Early summer, 2024
<b>Calibration and testing of the system</b>	Summer, 2024
<b>First patient</b>	Late summer, 2024

**3. Provide a legible city or county map showing the exact location of the project.**



**4. Define the community to be served and provide the geographic service area.**

Barnes-Jewish St. Peters Hospital serves western metro St. Louis, primarily the Missouri counties of St. Charles, Lincoln, and Warren. Many robotic surgeries treat cancer cases, and Barnes-Jewish St. Peters Hospital houses a satellite of this prestigious center. The Siteman Cancer Center is the only cancer center in Missouri to hold the prestigious Comprehensive Cancer Center designation from the National Cancer Institute (NCI) and is the only designated center within a 240-mile radius of St. Louis. Only 72 centers across the US are designated Comprehensive Cancer Centers. To put this into perspective, there are about 5,000 hospitals in the US; less than one percent earn the Comprehensive designation. Patients seek out this level of care from across the Midwest.

Siteman offers access to the expertise of more than 350 Washington University research scientists and physicians who collectively hold more than \$130 million in cancer research and related training grants. Throughout the Siteman family of centers, the results of basic laboratory research are rapidly incorporated into treatment advances. This process is enhanced by patient access to more than 900 clinical studies, including many collaborative efforts with other leading cancer centers nationwide.

Barnes-Jewish St. Peters Hospital considers St. Charles, Lincoln, and Warren counties to be its primary service area for its general acute-care services. The



following table reflects an estimate of the metro service area population from the State of Missouri, as required by CON rules:

County	2025 Total County Projection	2025 65+ Projection
Lincoln	63,762	9,534
St. Charles	432,828	78,620
Warren	37,428	7,764
	534,018	95,918

**5. Provide other statistics to document the size and validity of any user-defined geographic service area.**

Barnes-Jewish West County Hospital is uniquely situated in St. Charles County. It is just off the major east-west thruway, I-70. The service area provided is the same as that used in previous CON applications submitted by the hospital for its general acute-care services.

**6. Identify specific community problems or unmet needs the proposal would address.**

Providing advanced care beyond the confines of Barnes-Jewish Hospital is one of the overarching goals of this project. Implementing this program will offer advanced minimally invasive spine surgery in a community setting. Offering this service will increase access to the St. Louis metropolitan region and its community members.

**7. Provide historical utilization for each of the past three years and utilization projections through the first three years of operation of the new equipment.**

The following is the historical and projected utilization:

	2021	2022	2023	2024	2025	2026	2027
# of UNITS	1	1	1	2	2	2	2
AMT OF UTILIZATION	428	454	613	651	686	752	827
Avg. Utilization	428	454	613	326	343	376	414

**8. Provide the methods and assumptions used to project utilization.**

Combining the expertise from Barnes-Jewish St. Peters Hospital, Washington University School of Medicine, and Intuitive Surgical, estimates were made using the hospital’s current robotic cases as a base.

***9. Document that consumer needs and preferences have been included in planning this project and describe how consumers had an opportunity to provide input.***

Barnes-Jewish St. Peters Hospital has a board comprised of community and business leaders. This group's counsel has been solicited and many of their ideas have been incorporated into components of the project. Furthermore, as is a standard process throughout BJC, departmental planning teams incorporate feedback from doctors and patient-care staff, who are on the frontlines and aggregate the needs and preferences of patients.

***10. Provide copies of any petitions, letters of support or opposition received.***

Letters will be provided as they become available.

***11. Document that providers have been notified of the application by a public notice in the local newspaper.***

A public notice seeking comment has been published in the *St. Louis Post-Dispatch* and was also posted to the paper's website.

***12. Document that providers of all affected facilities were addressed letters regarding the application.***

Sent via separate email is a folder with an Excel file showing the list of recipients of this notice and a copy of the "sent" receipt for each recipient. The text of the notice is included in the receipts.

**Divider III. Community Need Criteria and Standards:**

*1. For new units address the need formula for the proposed geographic service area.*

NA

*2. For new units, address the minimum annual utilization standard for the proposed geographic service area.*

NA

*3. For any new unit where specific need and utilization standards are not listed provide the methodology for determining need.*

NA

*4. For additional units, document compliance with the optimal utilization standard, and if not achieved, provide documentation to justify the additional unit.*

The CON criterion is 240 cases per year for the DaVinci robot. The hospital meets that criterion every year:

	2021	2022	2023	2024	2025	2026	2027
<b># of UNITS</b>	1	1	1	2	2	2	2
<b>AMT OF UTILIZATION</b>	428	454	613	651	686	752	827
<b>Avg. Utilization</b>	428	454	613	326	343	376	414

*5. For evolving technology address the following:*

*– Medical effects as described and documented in published scientific literature*

NA

*– The degree to which the objectives of the technology have been met in practice*

NA

*– Any side effects, contraindications, or environmental exposures*

NA

*– The relationships, if any, to existing preventive, diagnostic, therapeutic or management technologies and the effects on the existing technologies*

NA

*– Food and Drug Administration approval*

NA

*– The need methodology used by this proposal in order to assess the efficacy and cost impact of the proposal; and*

NA

*– The degree of partnership, if any, with other institutions for joint use and financing.*

NA

#### **Divider IV. Financial Feasibility Review Criteria & Standards:**

***1. Document that sufficient financing is available by providing a letter from a financial institution or an auditor's statement indicating that sufficient funds are available.***

Audited statements were recently submitted.

***2. Provide Service-Specific Revenues and Expenses (Form MO 580-1865) projected through three (3) years beyond project completion.***

See attached financial forms.

***3. Document how patient charges were derived.***

Charges, in general, are arrived at by determining the reasonable and customary unit charge for delivering a given procedure through routine market checks of pricing at other facilities and comparing the expected unit cost using a cost accounting package tailored specifically for hospitals. Finally, annual inflation adjustments are made, usually averaging 2% to 3%.

***4. Document responsiveness to the needs of the medically indigent.***

BJC is one of the largest providers of charity care, unreimbursed care, and community benefits in the state of Missouri, offering the community over \$900 million in care and services. BJC hospitals have a long-standing policy of providing charity care and reduced-fee care to those in need. This policy will continue.

The hospital offers financial counseling for all patients to ensure adequate coverage is obtained. For patients who are indigent, our financial counselors assist these families in obtaining Medicaid assistance. If financial assistance is not attainable, charity care may be extended as appropriate. The hospital financial assistance guidelines are based on family size and income relative to the US poverty level guidelines. Each case is reviewed on an individual basis.

Although community benefit is often measured by the value of current programs, BJC's contributions also sustain the future of health care by investing in the education of health professionals. BJC invested more than \$220 million in the education of nurses, doctors, therapists, pharmacists, medical technologists in 2021.

BJC and its hospitals and health service organizations impact countless lives every day with programs that bring health and wellness resources into schools, neighborhoods, workplaces, houses of worship, and wherever neighbors gather. During 2021, BJC organizations contributed \$19 million to community health and wellness programs throughout metropolitan St. Louis and southern Illinois. These programs provided almost half a million individual services to children, adults, and seniors.

**SERVICE-SPECIFIC REVENUES AND EXPENSES****Project Title:** BJSP DaVinci**Project #:** 6088**Historical Financial Data for Latest Three Full Years plus Projections Through Three Full Years Beyond Project Completion**

Use an individual form for each affected service with a sufficient number of copies of this form to cover entire period, and fill in the years in the appropriate blanks.

	<b>Year</b>		
	<u>2021</u>	<u>2022</u>	<u>2023</u>
<b>Amount of Utilization:*</b>	428	454	613
<b>Revenue:</b>			
Average Charge**	\$31,336	\$33,910	\$35,942
Gross Revenue	\$13,411,808	\$15,395,140	\$22,032,446
Revenue Deductions	9,251,897	10,883,710	15,770,587
Operating Revenue	4,159,911	4,511,430	6,261,859
Other Revenue	0	0	0
<b>TOTAL REVENUE</b>	<b>\$4,159,911</b>	<b>\$4,511,430</b>	<b>\$6,261,859</b>
<b>Expenses:</b>			
Direct Expenses			
Salaries	903,626	1,220,268	1,312,549
Fees	0	0	0
Supplies	1,137,405	1,297,006	1,765,763
Other	36,929	40,407	46,978
<b>TOTAL DIRECT</b>	<b>\$2,077,960</b>	<b>\$2,557,681</b>	<b>\$3,125,290</b>
Indirect Expenses			
Depreciation	0	0	0
Interest***	0	0	0
Rent/Lease	0	0	0
Overhead****	1,802,321	1,870,738	2,952,025
<b>TOTAL INDIRECT</b>	<b>\$1,802,321</b>	<b>\$1,870,738</b>	<b>\$2,952,025</b>
<b>TOTAL EXPENSES</b>	<b>\$3,880,281</b>	<b>\$4,428,419</b>	<b>\$6,077,315</b>
<b>NET INCOME (LOSS):</b>	<b>\$279,630</b>	<b>\$83,011</b>	<b>\$184,544</b>

\*Utilization will be measured in "patient days" for licensed beds, "procedures" for equipment, or other appropriate units of measure specific to the service affected.

\*\*Indicate how the average charge/procedure was calculated.

\*\*\*Only on long term debt, not construction.

\*\*\*\*Indicate how overhead was calculated.

**SERVICE-SPECIFIC REVENUES AND EXPENSES****Project Title:** BJSP DaVinci**Project #:** 6088**Historical Financial Data for Latest Three Full Years plus Projections Through Three Full Years Beyond Project Completion**

Use an individual form for each affected service with a sufficient number of copies of this form to cover entire period, and fill in the years in the appropriate blanks.

	<b>Year</b>		
	<u>2024</u>	<u>2025</u>	<u>2026</u>
<b>Amount of Utilization:*</b>	651	686	752
<b>Revenue:</b>			
Average Charge**	\$37,739	\$39,626	\$41,607
Gross Revenue	\$24,568,089	\$27,183,436	\$31,288,464
Revenue Deductions	17,751,871	19,821,155	23,016,321
Operating Revenue	6,816,218	7,362,281	8,272,143
Other Revenue	0	0	0
<b>TOTAL REVENUE</b>	<b>\$6,816,218</b>	<b>\$7,362,281</b>	<b>\$8,272,143</b>
<b>Expenses:</b>			
Direct Expenses			
Salaries	1,442,701	1,573,475	1,785,229
Fees	0	0	0
Supplies	1,940,856	2,116,785	2,401,658
Other	51,636	56,317	63,896
<b>TOTAL DIRECT</b>	<b>\$3,435,193</b>	<b>\$3,746,577</b>	<b>\$4,250,783</b>
Indirect Expenses			
Depreciation	0	0	0
Interest***	0	0	0
Rent/Lease	0	0	0
Overhead****	3,197,722	3,437,035	3,843,067
<b>TOTAL INDIRECT</b>	<b>\$3,197,722</b>	<b>\$3,437,035</b>	<b>\$3,843,067</b>
<b>TOTAL EXPENSES</b>	<b>\$6,632,915</b>	<b>\$7,183,612</b>	<b>\$8,093,850</b>
<b>NET INCOME (LOSS):</b>	<b>\$183,303</b>	<b>\$178,669</b>	<b>\$178,293</b>

\*Utilization will be measured in "patient days" for licensed beds, "procedures" for equipment, or other appropriate units of measure specific to the service affected.

\*\*Indicate how the average charge/procedure was calculated.

\*\*\*Only on long term debt, not construction.

\*\*\*\*Indicate how overhead was calculated.

**SERVICE-SPECIFIC REVENUES AND EXPENSES****Project Title:** BJSP DaVinci**Project #:** 6088**Historical Financial Data for Latest Three Full Years plus Projections Through Three Full Years Beyond Project Completion**

Use an individual form for each affected service with a sufficient number of copies of this form to cover entire period, and fill in the years in the appropriate blanks.

	<b>Year</b>		
	<u>2027</u>	<u>20??</u>	<u>20??</u>
<b>Amount of Utilization:*</b>	827	0	0
<b>Revenue:</b>			
Average Charge**	\$43,688	\$0	\$0
Gross Revenue	\$36,129,976	\$0	\$0
Revenue Deductions	26,804,861	0	0
Operating Revenue	9,325,115	0	0
Other Revenue	0	0	0
<b>TOTAL REVENUE</b>	<b>\$9,325,115</b>	<b>\$0</b>	<b>\$0</b>
<b>Expenses:</b>			
Direct Expenses			
Salaries	2,031,992	0	0
Fees	0	0	0
Supplies	2,733,624	0	0
Other	72,728	0	0
<b>TOTAL DIRECT</b>	<b>\$4,838,344</b>	<b>\$0</b>	<b>\$0</b>
Indirect Expenses			
Depreciation	0	0	0
Interest***	0	0	0
Rent/Lease	0	0	0
Overhead****	4,310,878	0	0
<b>TOTAL INDIRECT</b>	<b>\$4,310,878</b>	<b>\$0</b>	<b>\$0</b>
<b>TOTAL EXPENSES</b>	<b>\$9,149,222</b>	<b>\$0</b>	<b>\$0</b>
<b>NET INCOME (LOSS):</b>	<b>\$175,893</b>	<b>\$0</b>	<b>\$0</b>

\*Utilization will be measured in "patient days" for licensed beds, "procedures" for equipment, or other appropriate units of measure specific to the service affected.

\*\*Indicate how the average charge/procedure was calculated.

\*\*\*Only on long term debt, not construction.

\*\*\*\*Indicate how overhead was calculated.





Intuitive Surgical, Inc.  
 1020 Kifer Road  
 Sunnyvale, CA 94086  
 800-876-1310

Quote Details

Quote ID	Q-00036289
Quote Date	11/15/2023
Valid Until	03/31/2024
Sales Rep	Nick Purcell
Phone Number	+1-314-495-2080
Email	nick.purcell@intusurg.com

Company Information

Hospital Name	Barnes-Jewish St. Peters Hospital
SF ID/IDN Affiliation	13367/BJC HealthCare
Address	10 Hospital Dr
City, State, Zip	St. Peters, Missouri, 63376-1691
Contact Name	
Telephone	

Please submit orders electronically via GHX or fax to 408-523-2377

Part Number	Qty	Item	Price	Subtotal
<b>Systems</b>				
	1	da Vinci Xi® Dual Console SystemOne (2): da Vinci Xi System Surgeon Console One (1): da Vinci Xi System Patient Cart One (1): da Vinci Xi System Vision Cart da Vinci Xi System Documentation da Vinci Xi System Software Training Instrument Starter Kit Accessory Starter Kit Drapes Vision Equipment (All Kits subject to change without notice)	\$ 2,350,000.00	\$ 2,350,000.00
<b>Upgrades</b>				
	1	E-100 Generator	\$ 25,000.00	\$ 25,000.00
	1	Da Vinci Xi Table Motion Upgrade	\$ 75,000.00	\$ 75,000.00
<b>Freight</b>				
	1	System Freight - Central (AR, IA, IL, KS, LA, MN, MO, ND, NE, OK, SD, TX, WI)	\$ 10,750.00	\$ 10,750.00
<b>Total</b>				<b>\$ 2,460,750.00</b>

Part Number	Qty	Item	Price	Subtotal
<b>Service</b>				
	1	da Vinci Xi-Single Console-Human Use (Systems)-SERVICE PLAN : DVCOMPLETE CARE-Warranty (Included)	\$ 0.00	\$ 0.00
	1	da Vinci Xi-Single Console-Human Use (Systems)-SERVICE PLAN : DVCOMPLETE CARE-After Warranty Service (Annual)	\$ 154,000.00	\$ 154,000.00
<b>Service Total</b>				<b>\$ 154,000.00</b>

Terms and Conditions

1) System Terms and Conditions:

1.1 A signed Sales, License, and Service Agreement ("SLSA") or equivalent is required prior to shipment of the System(s). All site modifications and preparation are the Customer's responsibility and are to be completed to the specification given by Intuitive Surgical prior to the installation date. Delivery is subject to credit approval. Payment terms are Net 30 days from Intuitive Surgical's invoice date. Each System includes the patient side cart, vision cart, and surgeon console(s). System enhancements required to support new features may be purchased at Intuitive Surgical's then current list price. The price of the da Vinci® Surgical System includes the initial installation of the System at Customer's facility and a one (1) year warranty for manufacture defect. All taxes and shipping charges are the responsibility of the Customer and will be added to the invoice, as appropriate.

1.2 Intuitive makes no representation with regard to Certificate of Need requirements for this purchase. It is your (the Customer's) responsibility to determine whether this purchase complies with your State's Certificate of Need laws and what Certificate of Need filing, if any, needs to be made with regard to this purchase.

1.3 Customer acknowledges that the cleaning and sterilization equipment, not provided by Intuitive, is required to appropriately reprocess da Vinci instruments and endoscopes. Please refer to the Intuitive Surgical Reprocessing website:

<https://reprocessing.intuitivesurgical.com>. Customer is responsible for ensuring that its' cleaning and sterilization program comply with all health and safety requirements.

## 2) System Upgrade Terms and Conditions:

2.1 A signed Purchase Order and/or an addendum to the existing Sales, License, and Service Agreement ("SLSA") is required prior to shipment of the System upgrade. All site modifications and preparation are the Customer's responsibility and are to be completed with the specification given by Intuitive Surgical prior to the installation date.

2.2 Payment terms are Net 30 days from Intuitive Surgical's invoice date. The price includes: the System upgrade, the initial installation at Customer's facility and a one (1) year warranty for manufacture defect. All taxes and shipping charges are the responsibility of the Customer and will be added to the invoice, as appropriate. Delivery is subject to credit approval and inventory availability. Standard shipping terms are FCA from Intuitive Surgical™ warehouse. A \$9.95 handling charge will be applied for any shipments using a customer designated carrier.

## 3) I&A Terms and Conditions:

3.1 To place an order, please fax Purchase Order to Intuitive Surgical Customer Service at 408-523-2377 or submit through the Global Health Exchange (GHX). Payment Terms Net 30 days from invoice date. Delivery is subject to credit approval by Intuitive Surgical. Estimated 2-Day standard delivery. Standard shipping terms are FCA from Intuitive Surgical™ warehouse and are subject to inventory availability. All taxes and shipping charges are the responsibility of the Customer and will be added to the invoice, as appropriate. Pricing is subject to change without notice. A \$9.95 handling charge will be applied for any shipments using a customer designated carrier.

## 4) Return Goods Policy :

4.1 All returns must be authorized through Intuitive Surgical Customer Service, please call 800-876-1310 to obtain a Return Material Authorization Number (RMA#). All items must be accompanied with valid RMA# for processing and are requested to be received within 14 days of issuance or the RMA could be subject to cancellation. Intuitive Surgical will prepay for the return of the defective instruments. Upon identification of a defective instrument, please call Intuitive Surgical Customer Service within 5 business days. Prior to returning to Intuitive Surgical, items must be cleaned and decontaminated in accordance with the then current local environmental and safety laws and standards. For all excess inventory returns, items are required to be in the original packaging with no markings, seals intact, and to have been purchased within the last 12 months. Package excess returned inventory in a separate shipping container to prevent damage to original product packaging.

## 5) Exchange Goods Policy :

5.1 Repairs to Endoscope, Camera Head and Skills Simulators may qualify for Intuitive Surgical advanced exchange program. Please contact Customer Service or send email to [CustomerSupport-ServiceSupport@intusurg.com](mailto:CustomerSupport-ServiceSupport@intusurg.com) to obtain information on our current exchange program.

## 6) Credit Policy :

6.1 Intuitive Surgical will issue credit against original purchase order after full inspection is complete. Credit for defective returns: Intuitive Surgical will issue credit on products based on failure analysis performed and individual warranty terms. For instruments, credit will be issued for the remaining lives, plus one additional life to compensate for usage at the time the issue was identified. Evidence of negligence, misuse and mishandling will not qualify for credit. Credit for excess inventory returns: Excess Inventory returns will be valued at the invoice price. Original packaging must be unmarked, undamaged and seals intact to qualify for credit. Credit will be issued if the products were shipped less than 12 months prior to return request, the original package is intact and the product is within expiration date. Intuitive Surgical will retain all returned product.

## 7) Miscellaneous :

7.1 Warranty: Warranties are applied for manufacturing defects. Endoscope, Camera, Simulator, and System upgrades – 1 year warranty. Accessories – 90 day warranty. Instruments: see above for credit.

7.2 Any term or condition contained in your purchase order or similar forms which is different from, inconsistent with, or in addition to these terms shall be void and of no effect unless agreed to in writing and signed by your authorized representative and authorized representative of Intuitive Surgical. The terms and conditions of this quote, including pricing, are confidential and proprietary information of Intuitive Surgical and shall not be disclosed to any third party without the consent of Intuitive Surgical.

For questions please contact Customer Service at 800-876-1310



**EXHIBIT A**  
**Deliverables, Price and Delivery**

**da Vinci® Xi™ Dual Console System (Firefly™ Fluorescence Imaging Enabled)**

Two (2): da Vinci® Xi™ System Surgeon Consoles  
 One (1): da Vinci® Xi™ System Patient Cart  
 One (1) da Vinci® Xi™ System Vision Cart  
 Warranty period: One (1) year from the Acceptance.

da Vinci® Xi™ System Documentation including:

User's Manual For System  
 Warranty period: n/a

User's Manual for Instruments and Accessories  
 Warranty period: n/a

One (1) da Vinci® Xi™ Cleaning & Sterilization Kit  
 Warranty period: 90 days from Acceptance  
 Two (2) da Vinci® Xi™ Instrument Release Kit (IRK)  
 Warranty period: 90 days from Acceptance

da Vinci® Xi™ System Software

Warranty period: One (1) year from the Acceptance.

Instrument and Accessories including:

Accessory Starter Kit

Two (2): Box of 6: 8 mm Bladeless Obturator  
 One (1): 8 mm Blunt Obturator  
 Four (4): Box of 10: 5 mm - 8 mm Universal Seal  
 Four (4): 8 mm Cannula  
 Three (3): Monopolar Energy Instrument Cord  
 Three (3): Bipolar Energy Instrument Cord  
 One (1): Box of 3: da Vinci® Xi™ Gage Pin  
 Three (3): Instrument Introducer  
 One (1): Box of 10: Tip Cover for Hot Shears™ (MCS)  
 One (1): Pmed Cable, Covidien Force Traid ESU  
 Warranty period: 90 days from Acceptance

Drapes

Two (2): Pack of 20 da Vinci® Xi™ Arm Drape  
 One (1): Pack of 20 da Vinci® Xi™ Column Drape  
 Warranty period: 90 days from Acceptance

Vision Equipment:

Two (2) : da Vinci® Xi™ Endoscope with Camera, 8 mm 0 degree  
 Two (2): da Vinci® Xi™ Endoscope with Camera, 8 mm 30 degree  
 Four (4): da Vinci® Xi™ Endoscope Sterilization Tray  
 Warranty period: One (1) year from the Acceptance.

Training Instrument Starter Kit

One (1): Large Needle Driver  
 One (1): ProGrasp™ Forceps  
 One (1): Maryland Bipolar Forceps  
 One (1): Hot Shears™ (Monopolar Curved Scissors)  
 One (1): Tip-Up Fenestrated Grasper  
 One (1): Mega™ SutureCut™ Needle Driver  
 Warranty period: 90 days from Acceptance

(all kits subject to change without notice)(rev 4/2015)