

Exhibit B.g

Certification from an Independent Certified Public Accountant

UMMIC -UMass Memorial Health – Harrington Hospital at Southbridge

Analysis of the Reasonableness of
Assumptions and Feasibility of UMass
Memorial Health – Harrington Hospital at
Southbridge

REPORT DATED OCTOBER 25, 2022

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October 25, 2022

Mr. Paul Anderson
Shields Health Care Group
Crown Colony Park
700 Congress Street, Suite 204
Quincy, MA 02169

Dear Mr. Anderson,

Veralon Partners Inc. ("Veralon") performed an analysis of the prospective financial schedules prepared by Shields Health Care Group ("Shields" or "Management") for UMass Memorial MRI & Imaging Center (the "Applicant" or "UMMIC") or, as is referred to by the Massachusetts Department of Public Health Determination of Need ("MA DPH DoN") Application Instructions, the ("Proposed Project"). At this time, Shields intends to file a Determination of Need ("DoN") application to the Commonwealth of Massachusetts seeking approval for the Proposed Project. Veralon understands that while UMMIC comprises several imaging modalities, Veralon's analysis is limited to the PET/CT services to be provided at UMMIC UMass Memorial Health – Harrington Hospital at Southbridge. As such, the Applicant, will be referred to as "UMass Harrington Southbridge PET/CT" throughout this report.

This application includes a section regarding Financial Feasibility as referenced in the MA DPH DoN code section 100.210 specifically paragraph (A)(4) *Determination of Need Factors*. This Financial Feasibility component of the application provides "sufficient documentation of the availability of sufficient funds for capital and ongoing operating costs necessary to support the Proposed Project without negative impacts or consequences to the Applicant's Patient Panel." This report details our findings regarding the reasonableness of the assumptions used in preparation of the prospective financial schedules, and the feasibility of the Proposed Project based on the prospective financial schedules prepared Management for the operation of the Applicant.

This report is to be used by Shields in its DoN Application – Factor 4(a) and should not be distributed for any other purpose.

I. EXECUTIVE SUMMARY

The scope of our analysis was limited to reviewing six-year consolidated prospective financial schedules (the "Financials") prepared by Management for the operation of the Applicant. The Financials are shown in the Appendix.

The Financials reflect positive operating margins and positive year-end cash balances in each of the six years presented. Based on our review of the relevant documents and analysis of the Financials, we determined the assumptions used in the preparation of the Financials to be reasonable. Accordingly, we determined that the Proposed Project is feasible and sustainable, and not likely to have a negative impact on the patient panel or result in a liquidation of assets of the Applicant.

The COVID-19 Pandemic has disrupted the operating environment for nearly all businesses, and in particular, those operating in the healthcare industry. The below considerations, among others, have acutely impacted healthcare providers:

- A likely permanent elevation of salary and wage expense for clinical and administrative staff, compounded by labor shortages;
- The availability of staff to meet the demands of budgeted/planned patient volumes; and
- Supply chain difficulties, contributing to difficulty in obtaining certain supplies, as well as elevated supply expenditures.

Shields Management has represented that in the development of the Applicant's Financials and associated volume forecasts, they have taken into consideration the above factors and have considered the current and likely ongoing/future impact of the COVID-19 Pandemic.

II. RELEVANT BACKGROUND INFORMATION

Shields was founded in 1972 as a family owned and operated nursing home. In 1986, Shields opened its first MRI center. Shields currently operates over 40 centers across the New England area offering MRI and PET/CT services.

Harrington Hospital ("Harrington") is a not-for-profit community hospital with 119 licensed beds located in Southbridge, Massachusetts, which offers an array of inpatient and outpatient services.

III. SCOPE OF ANALYSIS

The scope of this report is limited to an analysis of the Financials prepared by Management and the supporting documentation to render an opinion as to the reasonableness of assumptions used in the preparation and feasibility of the Financials. Reasonableness is defined within the context of this report as supportable and proper, given the underlying information. Feasibility is defined as based on the assumptions used, and that the plan is not likely to result in a liquidation of the underlying assets or the need for reorganization.

This report is based upon historical and prospective financial information provided to us by Management. If we had reviewed the underlying data, matters may have come to our attention that would have resulted in the use of amounts that differ from those provided by Management. Accordingly, we do not express an opinion or any other assurances on the underlying data presented or relied upon in this report. We do not provide assurance on the achievability of the results forecasted by Management because events and circumstances frequently do not occur as expected, and the achievement of the forecasted results are dependent on the actions, plans, and assumptions of Management. We reserve the right to update our analysis in the event that we are provided with additional information.

IV. SOURCES OF INFORMATION UTILIZED

In formulating our report, we reviewed the Financials as well as discussed corresponding assumptions with Management. The documents and information upon which we relied are identified below or are otherwise referenced in this report:

1. UMass Harrington Southbridge PET/CT six-year Financials, prepared July 19, 2022;
2. Volume assumptions;
3. Payer mix of a similar market location to Harrington and per-case reimbursement assumptions;
4. The MA DPH DoN Guidelines (105 CMR 100.000);
5. Shields company website (www.shields.com); and
6. Harrington website:
(<https://www.harringtonhospital.org/about-harrington/>)

V. REVIEW OF THE FINANCIALS

This section of our report summarizes our review of the reasonableness of the assumptions utilized in preparing the Financials as well as the feasibility of the Applicant. Table 1 presents the key metrics (the "Key Metrics") reviewed in our analysis along with definitions.

Table 1

Summary of Key Metric Calculation Definitions	
Key Metric	Calculation
Liquidity	
Current Ratio	Current Assets/Current Liabilities
Days in Accounts Receivable	Net Patient Accounts Receivable/(Net Patient Service Revenue/365)
Operating	
EBITDA	Net Income Plus: Interest, Taxes, Depreciation, and Amortization
EBITDA Margin	EBITDA/Net Revenue

The Key Metrics used in this report fall into two categories: liquidity and operating metrics. Liquidity ratios measure the quality and adequacy of assets to meet current obligations as they come due. Operating ratios are used to assist in the evaluation of management performance. Table 2 shows the results of the Key Metric calculations for 2023 through 2028. Note that the key metrics in Table 2 do not include a debt service coverage calculation as there is no debt component as part of the Applicant.

Table 2

Umass Harrington Southbridge PET/CT Summary of Key Metrics						
	2023	2024	2025	2026	2027	2028
Liquidity Ratios						
Current Ratio	12.4	8.8	7.0	5.9	5.4	4.8
Days in Accounts Receivable	55.00	55.00	55.00	55.00	55.00	55.00
Operating Ratios						
EBITDA	\$ 223,905	\$ 282,061	\$ 341,485	\$ 410,561	\$ 435,334	\$ 471,485
EBITDA Margin	28.7%	32.4%	35.3%	38.5%	38.7%	40.1%

I. Revenues

To determine the reasonableness of the prospective revenues, we reviewed the underlying assumptions upon which Management relied. Based upon our discussions with Management, the prospective volume was based on an analysis of the Applicant's 2021 PET/CT volume trends plus an annual growth factor ranging from five percent to 12 percent annually. The prospective revenue per scan rates were determined based on actual 2021 payer mix and rates of a similar market location to Harrington.

We understand that the PET/CT scanner, to be located at Harrington, will be operational one half-day per week for 52 weeks of the year in 2023, and one day per week for 52 weeks of the year in 2024 through 2028. Management estimated 2023 case volumes to be 297 based on current Harrington volume trends plus a growth factor. Management estimated that the Applicant would perform approximately 11.4 tests per day in 2023. Tests per day are assumed to decrease to 8.5 by 2028. Management notes that hours of operation increase from six to eight per day beginning in 2024, and from eight to ten hours per day beginning in 2026. Management has represented that these volumes are in-line with Shields's other PET/CT ventures. Based upon our review of the volume assumptions, we determined that the prospective Applicant volumes provided by Management are reasonable.

Next, we reviewed the Financials to determine the reasonableness of the reimbursement rates selected for 2023 through 2028. Management provided supporting information used to prepare the Financials, including the payer mix of a similar market location to the Applicant. Management based the budgeted reimbursement rate on a calculated weighted average of this location's payer mix and reimbursement rates. Shields noted that while contractual rate increases from their payers are possible, they are not guaranteed. As such, Management has held per-test reimbursement rates largely constant (2028 per test rates are 0.8% higher than 2023 per test rates) for the Applicant. Based upon our review, we determined the reimbursement rates provided by Management are reasonable for the Applicant.

It is our opinion that the revenue growth estimated by Management reflects a reasonable estimate of future revenues of the Applicant based on estimated volumes and reimbursement.

II. Expenses

We analyzed the expense categories included in the Financials for reasonableness. Generally, our approach included a review of the total expenses for each category, a calculation of a compound annual growth rate ("CAGR") to analyze year-over-year trends, and consideration to the extent that each expense item is tied to volume or more fixed in nature. Below are the expense categories provided in the Financials along with relevant findings.

Operating Expenses

Operating expenses include support services, billing, and bad debt expense. Management projected bad debt expenses that are notably higher in 2023 to account for Medicare and Medicaid services that are not anticipated to be reimbursable for the first month of operations for the Applicant until accreditation is obtained from the American College of Radiology ("ACR").

The ACR website states, "Accreditation evaluation [is] typically completed within 60 days or less of image submission."¹ Based upon our discussions with Management, when applying for accreditation for other similar projects, accreditation is typically achieved within two weeks. Accordingly, we determined Management's one-month estimate to obtain accreditation in the Financials is reasonable, and therefore, the corresponding bad debt expense is also reasonable.

We calculated an operating expense (including support services, billing, and bad debt expense) CAGR for 2024 through 2028 of 7.6 percent for the Applicant. 2023 was not included in the CAGR calculation due to the previously cited higher bad debt expenses. Bad debt expense for the Applicant in 2028 was \$18,803.

Facilities & Equipment Related Expenses

Facilities and equipment-related expenses include equipment-related expenses, depreciation, and other facility & equipment expenses. No facilities-related expenses were projected in 2023 through 2028 and equipment-related expenses remain steady at \$246,060 during 2024 through 2028.

Service-Related Expenses

Service-related expenses include FDG (fludeoxyglucose) charges, specialty isotope, and other service-related expenses. These expenses are projected to increase steadily between 2023 through 2028, representing a CAGR of 10.3 percent.

Salaries & Benefits

Salaries and benefits include radiology, technologists, and operations expense. We calculated a CAGR of 7.8 percent from 2023 through 2028 and found this to be a reasonable assumption.

Selling, General & Administrative ("SG&A") Expenses

SG&A expenses include support services, management fees, and other SG&A expenses. We calculated a CAGR of 5.9 percent from 2024 through 2028. 2023 was not included in the CAGR calculation due to the estimated start-up costs of initiating operations, such as legal fees, and Community Health Needs Assessment ("CHNA"), etc.

Interest Expense

We note that there is no interest expense for the Applicant.

Based upon our review of the prospective expenses for the Applicant, we did not find that the underlying inputs warranted additional adjustment. Accordingly, it is our opinion that the operating expenses estimated by Management are reasonable.

¹ <https://www.acr.org/Clinical-Resources/Accreditation>

III. Capital Expenditures and Cash Flows

We reviewed the capital expenditures and future cash flows to determine whether sufficient funds would be available to sustain the operation of the Applicant.

For the Applicant, there are \$25,000 in capital asset acquisitions in 2023. Management indicated that there are \$430,000 in capital expenditures planned for the buildout of a site pad, which will be financed by the site's landlord and reimbursed by the JV under the terms of a lease arrangement. This figure is not reflected in the Applicant's statement of cash flows.

Accordingly, we determined that the prospective capital requirements and resulting impact on the cash flows are reasonable.

VI. FEASIBILITY

We analyzed the Financials and the associated Key Metrics and determined both to be based on reasonable assumptions. The Financials do not account for any anticipated changes in accounting standards. These standards, which may have a material impact on individual future years, are not anticipated to have a material impact on the feasibility of the Proposed Project.

The Applicant exhibits cash surpluses in the Financials, after any scheduled distributions, in each of the six years. Based on our discussions with Management, it is our understanding that distributions could be reduced in the event of a business downturn or interruption to increase the cash reserves of the Applicant.

Based upon our review of the relevant documents, we determined the Financials are based upon feasible assumptions. Accordingly, we determined that the Financials are feasible and sustainable and not likely to have a negative impact on the patient panel or result in a liquidation of assets of the Applicant.

Respectively submitted,

A handwritten signature in blue ink that reads "Daniel M. Grauman". The signature is fluid and cursive, with a long horizontal stroke at the end.

Daniel M. Grauman, MBA, CPA/ABV

Managing Director & CEO
Veralon Partners Inc.

Appendix: The Financials

FINANCIALS

Statement of Profit and Loss

UMass Harrington Southbridge PET/CT Statement of Profit and Loss ¹												
	2023		2024		2025		2026		2027		2028	
	Total	Per Scan	Total	Per Scan	Total	Per Scan	Total	Per Scan	Total	Per Scan	Total	Per Scan
Total Volume	297		333		366		403		423		444	
Revenue												
Net Patient Revenue	\$ 780,050		\$ 870,893		\$ 968,445		\$ 1,065,211		\$ 1,124,228		\$ 1,175,179	
Total Revenue	\$ 780,050		\$ 870,893		\$ 968,445		\$ 1,065,211		\$ 1,124,228		\$ 1,175,179	
Annual Change (%)	na		11.6%		11.2%		10.0%		5.5%		4.5%	
Expenses												
Operating Expenses												
Support Services - Operations	\$ 4,446	\$ 15	\$ 4,965	\$ 15	\$ 5,479	\$ 15	\$ 6,033	\$ 15	\$ 6,393	\$ 15	\$ 6,647	\$ 15
Billing	3,949	13	4,438	13	4,867	13	5,359	13	5,625	13	5,904	13
Bad Debt Expense	31,510	106	13,934	42	15,495	42	17,043	42	17,988	43	18,803	42
Total Operating Expenses	\$ 39,905	\$ 134	\$ 23,348	\$ 70	\$ 25,841	\$ 71	\$ 28,436	\$ 71	\$ 29,945	\$ 71	\$ 31,354	\$ 71
Annual Change (%)	na		-41.5%		10.7%		10.0%		5.3%		4.7%	
Facilities and Equipment Related												
Equipment Related	\$ 169,460	\$ 571	\$ 246,060	\$ 739	\$ 246,060	\$ 672	\$ 246,060	\$ 611	\$ 246,060	\$ 582	\$ 246,060	\$ 554
Facilities Related	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation Expense	5,000	17	5,000	15	5,000	14	5,000	12	5,000	12	-	-
Other Facility & Equipment	2,970	10	3,330	10	3,660	10	4,030	10	4,230	10	4,440	10
Total Facilities and Equipment Related	\$ 177,430	\$ 597	\$ 254,390	\$ 764	\$ 254,720	\$ 696	\$ 255,090	\$ 633	\$ 255,290	\$ 604	\$ 250,500	\$ 564
Annual Change (%)	na		43.4%		0.1%		0.1%		0.1%		-1.9%	
Service Related												
FDG Charges	\$ 35,640	\$ 120	\$ 39,960	\$ 120	\$ 43,920	\$ 120	\$ 48,360	\$ 120	\$ 50,760	\$ 120	\$ 53,280	\$ 120
Specialty Isotope	65,125	219	68,956	207	88,110	241	95,772	238	107,265	254	111,096	250
Equipment Maintenance	-	-	-	-	-	-	-	-	-	-	-	-
Other Service Related	1,485	5	1,665	5	1,830	5	2,015	5	2,115	5	2,220	5
Total Service Related	\$ 102,250	\$ 344	\$ 110,581	\$ 332	\$ 133,860	\$ 366	\$ 146,147	\$ 363	\$ 160,140	\$ 379	\$ 166,596	\$ 375
Annual Change (%)	na		8.1%		21.1%		9.2%		9.6%		4.0%	
Salary and Benefits - Operations												
Radiology	\$ 3,743	\$ 13	\$ 4,285	\$ 13	\$ 4,765	\$ 13	\$ 5,241	\$ 13	\$ 5,531	\$ 13	\$ 5,782	\$ 13
Technologists	51,536	174	62,811	189	62,811	172	62,811	155	74,087	175	74,087	167
Operations	19,491	66	21,762	65	23,945	65	26,279	65	27,588	65	28,872	65
Total Service Related	\$ 74,769	\$ 252	\$ 88,858	\$ 267	\$ 91,521	\$ 250	\$ 94,332	\$ 234	\$ 107,206	\$ 253	\$ 108,741	\$ 245
Annual Change (%)	na		18.6%		3.0%		3.1%		13.6%		1.4%	
Total Operating Expenses	\$ 394,355	\$ 1,328	\$ 477,177	\$ 1,433	\$ 505,943	\$ 1,382	\$ 524,004	\$ 1,300	\$ 552,561	\$ 1,306	\$ 557,191	\$ 1,255
Annual Change (%)	na		21.0%		6.0%		3.6%		5.5%		0.8%	
Selling, General, and Administrative Expenses												
Support Services - SG&A	\$ 23,785	\$ 80	\$ 26,668	\$ 80	\$ 29,311	\$ 80	\$ 32,274	\$ 80	\$ 33,876	\$ 80	\$ 35,558	\$ 80
Management Fee	52,398	176	59,967	180	66,707	182	73,372	182	77,437	183	80,946	182
SG&A - Other	90,607	305	30,000	90	30,000	82	30,000	74	30,000	71	30,000	68
Total SG&A	\$ 166,790	\$ 562	\$ 116,655	\$ 350	\$ 126,018	\$ 344	\$ 135,646	\$ 337	\$ 141,313	\$ 334	\$ 146,504	\$ 330
Annual Change (%)	na		-30.1%		8.0%		7.6%		4.2%		3.7%	
Other Income, Expenses, and Taxes												
Interest Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other (Income)/Expense	-	-	-	-	-	-	-	-	-	-	-	-
Misc Taxes	-	-	-	-	-	-	-	-	-	-	-	-
Total Other Income, Expenses, and Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Annual Change (%)	na		na		na		na		na		na	
Total Expenses	\$ 561,145	\$ 1,889	\$ 593,632	\$ 1,783	\$ 631,960	\$ 1,727	\$ 659,650	\$ 1,637	\$ 693,894	\$ 1,640	\$ 703,695	\$ 1,585
Net Income (Loss)	\$ 218,905	\$ 737	\$ 277,061	\$ 832	\$ 336,485	\$ 919	\$ 405,561	\$ 1,006	\$ 430,334	\$ 1,017	\$ 471,485	\$ 1,062
Annual Change (%)	na		26.6%		21.4%		20.5%		6.1%		9.6%	

¹Source: Shields management.

Balance Sheet

UMass Harrington Southbridge PET/CT						
Balance Sheet ¹						
	2023	2024	2025	2026	2027	2028
Assets						
Current Assets						
Cash	\$ 409,593	\$ 285,653	\$ 220,262	\$ 173,099	\$ 154,265	\$ 121,698
Accounts Receivable	117,542	131,230	145,930	160,511	169,404	177,082
Doubtful Accounts	(38,789)	(43,306)	(48,157)	(52,969)	(55,903)	(58,437)
Other Current Assets	-	-	-	-	-	-
Total Current Assets	\$ 488,346	\$ 373,578	\$ 318,035	\$ 280,642	\$ 267,766	\$ 240,342
Property and Equipment	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Less: Accumulated Depreciation	(5,000)	(10,000)	(15,000)	(20,000)	(25,000)	(25,000)
Net Property and Equipment	\$ 20,000	\$ 15,000	\$ 10,000	\$ 5,000	\$ -	\$ -
Due from Partners	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Assets	\$ 508,346	\$ 388,578	\$ 328,035	\$ 285,642	\$ 267,766	\$ 240,342
Liabilities and Shareholders' Equity						
Current Liabilities						
Current Maturities of LTD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Current Maturities of Capital Leases	-	-	-	-	-	-
Accounts Payable	39,440	42,612	45,584	47,630	49,420	50,512
Accrued Expenses	-	-	-	-	-	-
Total Current Liabilities	\$ 39,440	\$ 42,612	\$ 45,584	\$ 47,630	\$ 49,420	\$ 50,512
Long Term Debt, Excluding Current	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Lease Obligations, Excluding Current	-	-	-	-	-	-
Due to Partners	-	-	-	-	-	-
Owners Equity	468,905	345,966	282,451	238,012	218,346	189,831
Total Liabilities and Shareholders' Equity	\$ 508,346	\$ 388,578	\$ 328,035	\$ 285,642	\$ 267,766	\$ 240,342

¹Source: Shields management.

Statement of Cash Flows

UMass Harrington Southbridge PET/CT Statement of Cash Flows ¹						
	2023	2024	2025	2026	2027	2028
Operating Activities						
Net Income	\$ 218,905	\$ 277,061	\$ 336,485	\$ 405,561	\$ 430,334	\$ 471,485
Non-Cash Adjustment	-	-	-	-	-	-
Depreciation	5,000	5,000	5,000	5,000	5,000	-
Total Cash from Operations	\$ 223,905	\$ 282,061	\$ 341,485	\$ 410,561	\$ 435,334	\$ 471,485
Change in Accounts Receivable/Accounts Payable	\$ (39,313)	\$ (6,000)	\$ (6,876)	\$ (7,724)	\$ (4,168)	\$ (4,052)
Change in Other Current Assets	-	-	-	-	-	-
Change in Due To/From	-	-	-	-	-	-
Net Cash for/from Operations	\$ 184,593	\$ 276,061	\$ 334,609	\$ 402,837	\$ 431,166	\$ 467,432
Investing Activities						
Capital Asset Acquisitions	\$ (25,000)	\$ -	\$ -	\$ -	\$ -	\$ -
Net Cash for/from Operations	\$ (25,000)	\$ -	\$ -	\$ -	\$ -	\$ -
Financing Activities						
Proceeds from Leases/Loans	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Repayments on Leases/Loans	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Cash for/from Financing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cash Contributions (Shields)	\$ 125,000	\$ -	\$ -	\$ -	\$ -	\$ -
Cash Contributions (Partners)	125,000	-	-	-	-	-
Cash Distributions (Shields)	-	(200,000)	(200,000)	(225,000)	(225,000)	(250,000)
Cash Distributions (Partners)	-	(200,000)	(200,000)	(225,000)	(225,000)	(250,000)
Net Cash Used for Distributions	\$ 250,000	\$ (400,000)	\$ (400,000)	\$ (450,000)	\$ (450,000)	\$ (500,000)
Net Increase (Decrease) in Cash	\$ 409,593	\$ (123,939)	\$ (65,391)	\$ (47,163)	\$ (18,834)	\$ (32,568)
Cash at Beginning of Period	\$ -	\$ 409,593	\$ 285,653	\$ 220,262	\$ 173,099	\$ 154,265
Cash at End of Period	\$ 409,593	\$ 285,653	\$ 220,262	\$ 173,099	\$ 154,265	\$ 121,698

¹Source: Shields management.