BAKER NEWMAN NOYES

Baker Newman & Noyes LLC
MAINE I MASSACHUSETTS I NEW HAMPSHIRE
800.244.7444 I www.bnncpa.com

To the Board of Directors
Onpoint Health Data

We are pleased to present this report related to our audit of the financial statements of Onpoint Health Data (the Organization) as of and for the year ended September 30, 2021. This report summarizes certain matters required by professional standards to be communicated to you in your oversight responsibility for the Organization's financial reporting process.

This report is intended solely for the information and use of the Board of Directors and management, and is not intended to be, and should not be, used by anyone other than these specified parties. It will be our pleasure to respond to any questions you have about this report. We appreciate the opportunity to continue to be of service to the Organization.

Baker Newman + Noyes LLC

Portland, Maine
January 27, 2022

Required Communications

Generally accepted auditing standards (AU-C 260, *The Auditor's Communication with Those Charged with Governance)* require the auditor to promote effective two-way communication between the auditor and those charged with governance. Consistent with this requirement, the following summarizes our responsibilities regarding the financial statement audit as well as observations arising from our audit that are significant and relevant to your responsibility to oversee the financial reporting process.

Area	Comments
Our Responsibilities With Regard to the Financial Statement Audit	Our responsibilities under auditing standards generally accepted in the United States of America have been described to you in our arrangement letter dated September 14, 2021. Our audit of the financial statements does not relieve management or those charged with governance of their responsibilities, which are also described in that letter.
Overview of the Planned Scope and Timing of the Financial Statement Audit	We have issued a separate communication dated September 14, 2021 regarding the planned scope and timing of our audit and identified significant risks.
Accounting Policies and Practices	**Preferability of Accounting Policies and Practices** Under generally accepted accounting principles, in certain circumstances, management may select among alternative accounting practices. In our view, in such circumstances, management has selected the preferable accounting practice. **Adoption of, or Change in, Accounting Policies** Management has the ultimate responsibility for the appropriateness of the accounting policies used by the Organization. The following is a description of a significant accounting policy adopted during the year: In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2014-09, *Revenue from Contracts with Customers* (*Topic 606*). ASU No. 2014-09 supersedes virtually all existing revenue guidance. Under this standard, an entity is required to recognize revenue upon transfer of promised goods or services to customers, in an amount that reflects the expected consideration received in exchange for those goods or services. As such, an entity needs to use more judgment and make more estimates than under the previous guidance. On October 1, 2020, the Organization adopted the new accounting standard and all related amendments using the modified retrospective method which allows application only to the most current reporting period presented in the financial statements with a cumulative effect adjustment to retained earnings. The Organization determined that the new standard required no change in the timing of when revenue is recognized. As a result, no cumulative effect adjustment was required.

Area	Comments
Accounting Policies and Practices (Continued)	**Significant or Unusual Transactions** We did not identify any significant or unusual transactions or significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus. **Management's Judgments and Accounting Estimates** There are no material audit sensitive areas of management judgment or accounting estimates that would have an impact on the overall financial statements.
Audit Adjustments	There were no audit adjustments posted as a result of our audit.
Uncorrected Misstatements	We are unaware of any uncorrected misstatements other than misstatements that are clearly trivial.
Disagreements With Management	We encountered no disagreements with management over the application of significant accounting principles, the basis for management's judgments on any significant matters, the scope of the audit, or significant disclosures to be included in the financial statements.
Consultations With Other Accountants	We are not aware of any consultations management had with other accountants about accounting or auditing matters.
Significant Issues Discussed With Management	No significant issues arising from the audit were discussed or the subject of correspondence with management.
Significant Difficulties Encountered in Performing the Audit	We did not encounter any significant difficulties in dealing with management during the audit.
Significant Written Communications Between Management and Our Firm	Copies of significant written communications between our firm and the management of the Organization, including the representation letter provided to us by management, are attached.

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September 14, 2021

Mr. James Harrison
President/CEO
Onpoint Health Data
75 Washington Avenue, Suite 1E
Portland, Maine 04101

Dear Mr. Harrison:

The Objective and Scope of the Audit of the Financial Statements

You have requested that we audit the financial statements of Onpoint Health Data (OHD), which comprise the statement of financial position as of September 30, 2021, and the related statement of income and cash flows for the year then ending, and the related notes to the financial statements. We are pleased to confirm our acceptance and our understanding of this audit engagement by means of this letter.

Our audit will be conducted with the objective of our expressing an opinion on the financial statements.

The Responsibilities of the Auditor

We will conduct our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements may not be detected exists, even though the audit is properly planned and performed in accordance with GAAS. Also, an audit is not designed to detect errors or fraud that are immaterial to the financial statements.

In making our risk assessments, we consider internal control relevant to OHD's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of OHD's internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit.

We will also communicate to the Board of Directors (a) any fraud involving senior management and fraud (whether caused by senior management or other employees) that causes a material misstatement of the financial statements that becomes known to us during the audit, and (b) any instances of noncompliance with laws and regulations that we become aware of during the audit (unless they are clearly inconsequential).

The Responsibilities of Management and Identification of the Applicable Financial Reporting Framework

Our audit will be conducted on the basis that management and, when appropriate, those charged with governance, acknowledge and understand that they have responsibility:

1. For the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America;
2. To evaluate subsequent events through the date the financial statements are issued or available to be issued, and to disclose the date through which subsequent events were evaluated in the financial statements. Management also agrees that it will not conclude on subsequent events earlier than the date of the management representation letter referred to below;
3. For the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; and
4. To provide us with:
    a. Access to all information of which management is aware that is relevant to the preparation and fair presentation of the financial statements such as records, documentation and other matters;
    b. Additional information that we may request from management for the purpose of the audit; and
    c. Unrestricted access to persons within OHD from whom we determine it necessary to obtain audit evidence.

As part of our audit process, we will request from management and, when appropriate, those charged with governance, written confirmation concerning representations made to us in connection with the audit, including among other items:

1. That management has fulfilled its responsibilities as set out in the terms of this letter; and
2. That it believes the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

Management is responsible for identifying and ensuring that OHD complies with the laws and regulations applicable to its activities, and for informing us about all known material violations of such laws or regulations. In addition, management is responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting OHD involving management, employees who have significant roles in internal control, and others where the fraud could have a material effect on the financial statements. Management is also responsible for informing us of its knowledge of any allegations of fraud or suspected fraud affecting OHD received in communications from employees, former employees, analysts, regulators, or others.

The Board of Directors is responsible for informing us of its views about the risks of fraud within OHD, and its knowledge of any fraud or suspected fraud affecting OHD.

Our association with an official statement is a matter for which separate arrangements will be necessary. OHD agrees to provide us with printer's proofs or masters of such offering documents for our review and approval before printing, and with a copy of the final reproduced material for our approval before it is distributed. In the event our auditor/client relationship has been terminated when OHD seeks such consent, we will be under no obligation to grant such consent or approval.

OHD agrees that it will not associate us with any public or private securities offering without first obtaining our consent. Therefore, OHD agrees to contact us before it includes our reports, or otherwise makes reference to us, in any public or private securities offering.

Records and Assistance

If circumstances arise relating to the condition of OHD's records, the availability of appropriate audit evidence or indications of a significant risk of material misstatement of the financial statements because of error, fraudulent financial reporting or misappropriation of assets which, in our professional judgment, prevent us from completing the audit or forming an opinion, we retain the unilateral right to take any course of action permitted by professional standards, including declining to express an opinion or issue a report, or withdrawing from the engagement.

During the course of our engagement, we may accumulate records containing data that should be reflected in OHD's books and records. OHD will determine that all such data, if necessary, will be so reflected. Accordingly, OHD will not expect us to maintain copies of such records in our possession.

The assistance to be supplied by OHD's personnel, including the preparation of schedules and analyses of accounts, has been discussed and coordinated with Ben Parks-Stamm, Chief Financial Officer. The timely and accurate completion of this work is an essential condition to our completion of the audit and issuance of our audit report.

Accounting and Tax Services

In connection with our audit, you have requested us to perform the following accounting services:

1. Drafting the financial statements

Ben Parks-Stamm, Chief Financial Officer, will oversee the services, make all significant judgments that are the proper responsibility of management, evaluate the adequacy of the services, make an informed judgment about the results of the services, and accept responsibility for them. You also agree to establish and maintain internal control over these services, including ongoing monitoring activities. At the conclusion of our audit, we will ask you to provide written representations to that effect.

Our services under this Arrangement Letter do not include services for tax return preparation, tax advice or representation in any tax matter. Nevertheless, we may discuss with you certain tax considerations or provide you with tax information that may be relevant to our services. Any such discussions or information would be based upon limited tax research, limited due diligence and limited analysis regarding the underlying facts. Because additional research or a more complete review of the facts could affect our analysis and conclusions, the information provided during these discussions shall not be used as the basis for proceeding with any transaction or any tax return reporting.

Separate arrangements, including fee arrangements, are required for tax preparation, tax advice or tax representation services.

Other Relevant Information

Baker Newman & Noyes LLC (BNN) may mention OHD's name and provide a general description of the engagement in BNN's client lists and marketing materials.

We are not hosts for any client information. You are expected to retain all financial and non-financial information to include anything you upload to a portal and are responsible for downloading and retaining anything we upload in a timely manner. Portals are only meant as a method of transferring data, are not intended for the storage of client information, and may be deleted at any time. You are expected to maintain control over your accounting systems to include the licensing of applications and the hosting of said applications and data. We do not provide electronic security or back-up services for any of your data or records. Giving us access to your accounting system does not make us hosts of information contained within.

If any term or provision of this arrangement letter is determined to be invalid or unenforceable, such term or provision will be deemed stricken and all other terms and provisions will remain in full force and effect.

Fees, Costs, and Access to Workpapers

Our fees for the services described above are based upon the value of the services performed and the time required by the individuals assigned to the engagement will be $18,000, plus directly billed expenses, including report processing, travel, meals, and fees for services from other professionals. Our fee estimate and completion of our work are based upon the following criteria:

1. Anticipated cooperation from OHD personnel
2. Timely responses to our inquiries
3. Timely completion and delivery of client assistance requests
4. Timely communication of all significant accounting and financial reporting matters
5. The assumption that unexpected circumstances will not be encountered during the engagement

If any of the aforementioned criteria are not met, then fees may increase. Interim billings will be submitted as work progresses and as expenses are incurred. Billings are due upon submission.

Our professional standards require that we perform certain additional procedures, on current and previous years' engagements, whenever a principal or professional employee leaves BNN and is subsequently employed by or associated with a client in a key position. Accordingly, OHD agrees it will compensate BNN for any additional costs incurred as a result of OHD's employment of a principal or professional employee of BNN.

The audit documentation for this engagement is the property of BNN and constitutes confidential information.

Review of audit documentation by a successor auditor or as part of due diligence will be agreed to, accounted for and billed separately.

In the event we are requested or authorized by OHD or are required by government regulation, subpoena or other legal process to produce our documents or our personnel as witnesses with respect to our engagement for OHD, OHD will, so long as we are not a party to the proceeding in which the information is sought, reimburse us for our professional time and expenses, as well as the fees and expenses of our counsel, incurred in responding to such requests.

Termination

Your failure to make full payment of any and all undisputed amounts invoiced in a timely manner constitutes a material breach for which we may refuse to provide deliverables and/or, upon written notice, suspend or terminate our services under this Arrangement Letter. We will not be liable to you for any resulting loss, damage or expense connected with the suspension or termination of our services due to your failure to make full payment of undisputed amounts invoiced in a timely manner.

In the event you terminate this engagement, you will pay BNN for all services rendered (including deliverables and products delivered), expenses incurred and commitments made by BNN through the effective date of termination.

We will not be responsible for any delay or failure in our performance resulting from acts beyond our reasonable control or unforeseen or unexpected circumstances, such as, but not limited to, acts of God, government or war, riots or strikes, disasters, fires, floods, epidemics, pandemics or outbreaks of communicable disease, cyberattacks, and internet or other system or network outages. At your option, you may terminate this Arrangement Letter where our services are delayed more than 120 days; however, you are not excused from paying us for all amounts owed for services rendered and deliverables provided prior to the termination of this Arrangement Letter.

When an engagement has been suspended at the request of management or those charged with governance and work on that engagement has not recommenced within 120 days of the request to suspend our work, BNN may, at its sole discretion, terminate this arrangement letter without further obligation to OHD. Resumption of audit work following termination may be subject to our client acceptance procedures and, if resumed, will necessitate additional procedures not contemplated in this arrangement letter. Accordingly, the scope, timing and fee arrangement discussed in this arrangement letter will no longer apply. In order for BNN to recommence work, a new arrangement letter would need to be mutually agreed upon and executed.

BNN may terminate this relationship immediately in its sole discretion if BNN determines that continued performance would result in a violation of law, regulatory requirements, applicable professional standards or BNN's client acceptance or retention standards, or if OHD is placed on a verified sanctioned entity list or if any director or executive of, or other person closely associated with, OHD or its affiliates is placed on a verified sanctioned person list, in each case, including but not limited to lists promulgated by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the U.S. State Department, the United Nations Security Council, the European Union or any other relevant sanctioning authority.

Indemnification and Claim Resolution

Because BNN will rely on OHD and its management and Board of Directors to discharge the foregoing responsibilities, OHD holds harmless and releases BNN and its principals and employees from all claims, liabilities, losses and costs arising in circumstances where there has been a knowing misrepresentation by a member of OHD's management that has caused, in any respect, BNN's breach of contract or negligence.

OHD and BNN agree that no claim arising out of services rendered pursuant to this arrangement letter shall be filed more than two years after the date of the audit report issued by BNN or the date of this arrangement letter if no report has been issued. In no event shall either party be liable to the other for claims of punitive, consequential, special, or indirect damages.

OHD shall upon the receipt of written notice indemnify and hold BNN and its affiliates, and their principals, and personnel, harmless against all costs, fees, expenses, damages, and liabilities (including legal defense costs) associated with any third-party claim arising from or relating to any knowing misrepresentation to BNN by OHD or the intentional withholding or concealment of information from BNN by OHD. In addition, OHD shall upon receipt of written notice indemnify and hold BNN and its affiliates, and their principals and personnel, harmless against all punitive damages associated with any third-party claim arising from or relating to: (i) any services, work product, or deliverables from BNN that OHD or its management uses or discloses to others; or (ii) this engagement generally. The terms of this paragraph shall apply regardless of the nature of any claim asserted (including those arising from contract law, statutes, regulations, or any form of negligence of OHD, whether arising out of tort, strict liability, or otherwise) and whether or not BNN was advised of the possibility of the damage or loss asserted. Such terms shall also continue to apply after any termination of this agreement by either party and during any dispute between the parties. To the extent finally determined that the conduct giving rise to such punitive damages arose out of BNN's gross negligence or willful misconduct, this paragraph shall not apply.

With respect to any services, work product, or other deliverables hereunder, or this engagement generally, BNN's liability to OHD shall in no event exceed the fees that it receives for the portion of the work giving rise to liability, nor shall BNN's liability include any special, consequential, incidental, or exemplary damages or loss, including any lost profits, savings, or business opportunity.

You agree that any dispute (other than our efforts to collect an outstanding invoice) that may arise regarding the meaning, performance or enforcement of this engagement or any prior engagement that we have performed for you, will, prior to resorting to litigation, be submitted to mediation, and that the parties will engage in the mediation process in good faith once a written request to mediate has been given by any party to the engagement. The results of any such mediation shall be binding only upon agreement of each party to be bound. The costs of any mediation proceeding shall be shared equally by the participating parties.

If mediation fails to resolve the dispute or claim, the parties hereby agree to submit any action, claim or counterclaim whether based in contract, tort, statutory rights or otherwise to the Courts of the State of Maine. The parties also agree that the laws of the State of Maine shall govern all legal proceedings arising from this engagement.

These provisions shall survive the termination of this arrangement for services.

Information Security and Miscellaneous Terms

BNN is committed to the safe and confidential treatment of OHD's proprietary information. BNN is required to maintain the confidential treatment of client information in accordance with relevant industry professional standards which govern the provision of services described herein.

Reporting

We will issue a written report upon completion of our audit of OHD's financial statements. Our report will be addressed to the Board of Directors of OHD. We cannot provide assurance that an unmodified opinion will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion, add an emphasis-of-matter or other-matter paragraph(s), or withdraw from the engagement.

This letter constitutes the complete and exclusive statement of agreement between BNN and OHD, superseding all proposals, oral or written, and all other communications with respect to the terms of the engagement between the parties.

Electronic Signatures and Counterparts

Each party hereto agrees that any electronic signature of a party to this agreement or any electronic signature to a document contemplated hereby (including any representation letter) is intended to authenticate such writing and shall be as valid, and have the same force and effect, as a manual signature. Any such electronically signed document shall be deemed (i) to be "written" or "in writing," (ii) to have been signed and (iii) to constitute a record established and maintained in the ordinary course of business and an original written record when printed from electronic files. Each party hereto also agrees that electronic delivery of a signature to any such document (via email or otherwise) shall be as effective as manual delivery of a manual signature. For purposes hereof, "electronic signature" includes, but is not limited to, (i) a scanned copy (as a "pdf" (portable document format) or other replicating image) of a manual ink signature, (ii) an electronic copy of a traditional signature affixed to a document, (iii) a signature incorporated into a document utilizing touchscreen capabilities or (iv) a digital signature. This agreement may be executed in one or more counterparts, each of which shall be considered an original instrument, but all of which shall be considered one and the same agreement. Paper copies or "printouts," of such documents if introduced as evidence in any judicial, arbitral, mediation or administrative proceeding, will be admissible as between the parties to the same extent and under the same conditions as other original business records created and maintained in documentary form. Neither party shall contest the admissibility of true and accurate copies of electronically signed documents on the basis of the best evidence rule or as not satisfying the business records exception to the hearsay rule.

Please sign and return a copy of this letter to indicate your acknowledgment of, and agreement with, the arrangements for our audit of the financial statements, including our respective responsibilities.

Very truly yours,

BAKER NEWMAN & NOYES LLC

Anne Cloutier

Anne M. Cloutier
Principal

Confirmed on behalf of
Onpoint Health Data

JHarrison 9/15/2021

James Harrison, President/CEO Date

ONPOINT Health Data

January 27, 2022

Baker Newman & Noyes LLC
280 Fore Street
Portland, Maine 04101-4177

This representation letter is provided in connection with your audit of the financial statements of Onpoint Health Data (the Organization) which comprise the statement of financial position as of September 30, 2021 and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements for the purpose of expressing an opinion on whether the financial statements are presented fairly, in all material respects in accordance with accounting principles generally accepted in the United States (U.S. GAAP).

We confirm, to the best of our knowledge and belief, as of the date of this letter, the following representations made to you during your audit:

Financial Statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit arrangement letter dated September 14, 2021, for the preparation and fair presentation of the financial statements referred to above in accordance with U.S. GAAP.

2. We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

3. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.

4. Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable and reflect our judgment based on our knowledge and experience about past and current events, and our assumptions about conditions we expect to exist and courses of action we expect to take.

5. Related-party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.

6. All events subsequent to the date of the financial statements and for which U.S GAAP requires adjustment or disclosure have been adjusted or disclosed.

7. The effects of all known actual or possible litigation and claims have been accounted for and disclosed in accordance with U.S. GAAP.

8. With respect to drafting the financial statements in the course of the audit:
    a. We have made all management decisions and performed all management functions;
    b. We assigned an appropriate individual to oversee the services;
    c. We evaluated the adequacy and results of the services performed, and made an informed judgment on the results of the services performed;
    d. We have accepted responsibility for the results of the services; and
    e. We have accepted responsibility for all significant judgments and decisions that were made.

9. The following have been properly recorded and/or disclosed in the financial statements, as applicable:
    a. Guarantees, whether written or oral, under which the Organization is contingently liable.
    b. Arrangements with financial institutions involving compensating balances or other arrangements involving restrictions on cash balances.
    c. Lines of credit or similar arrangements.
    d. Security agreements in effect under the Uniform Commercial Code.
    e. All other liens or encumbrances on assets and all other pledges of assets.
    f. Amounts of contractual obligations for plant construction and/or purchase of real property, equipment, other assets, and intangibles.
    g. Investments in debt and equity securities, including their classification.
    h. All liabilities that are subordinated to any other actual or possible liabilities of the Organization.
    i. All leases and material amounts of rental obligations under long-term leases.
    j. All significant estimates and material concentrations known to management that are required to be disclosed in accordance with the *Risks and Uncertainties Topic* of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC). Significant estimates are estimates at the balance sheet date that could change materially within the next year. Concentrations refer to volumes of business, revenues, available sources of supply, or markets for which events could occur that would significantly disrupt normal finances within the next year.
    k. Tax status.
    l. All current and deferred assets and liabilities related to the accounting for income taxes. Additionally, we have evaluated the tax positions under the two-step approach for recognition and measurement of uncertain tax positions required by the *Income Taxes Topic* of the FASB ASC.
    m. All recordable contributions, by appropriate net asset class.
    n. Reclassifications between net asset classes.
    o. Allocations of functional expenses based on reasonable basis.
    p. Composition of assets in amounts needed to comply with all donor restrictions.
    q. Deferred revenue from exchange transactions.
    r. Refundable advances.
    s. Board designated net assets.
    t. Concentrations of credit risk.

10. We have no plans or intentions that may materially affect the carrying value or classification of assets. In that regard:
    a. The Organization has no significant amounts of idle property and equipment.
    b. The Organization has no plans or intentions to discontinue the operations of any subsidiary or division or to discontinue any significant product lines.
    c. Provision has been made to reduce all assets that have permanently declined in value to their realizable values.

11. We are responsible for making the accounting estimates included in the financial statements. Those estimates reflect our judgment based on our knowledge and experience about past and current events and our assumptions about conditions we expect to exist and courses of action we expect to take. In that regard, adequate provisions have been made:
    a. To reduce receivables to their estimated net collectable amounts.
    b. For uninsured losses or loss retentions (deductibles) attributable to events occurring through September 30, 2021 and/or for expected retroactive insurance premium adjustments applicable to periods through September 30, 2021.
    c. For pension obligations, postretirement benefits other than pensions, and deferred compensation agreements attributable to employee services rendered through September 30, 2021.
    d. For any material loss to be sustained in the fulfillment of or from the inability to fulfill any sales commitments, including promises to give.
    e. For environmental clean-up obligations.
    f. For amounts held for others under agency and/or split interest agreements.

12. There are no:
    a. Violations or possible violations of laws or regulations whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency. In that regard, we specifically represent that we have not been designated as, or alleged to be, a "potentially responsible party" by the Environmental Protection Agency in connection with any environmental contamination.
    b. Other material liabilities or gain or loss contingencies that are required to be accrued or disclosed by the *Contingencies Topic* of the FASB ASC.

13. The Organization has satisfactory title to all owned assets.

14. We have complied with all aspects of contractual agreements, grants, and donor restrictions that would have a material effect on the financial statements in the event of noncompliance.

15. We have no knowledge of any uncorrected misstatements in the financial statements.

Information Provided

16. We have provided you with:
    a. Access to all information, of which we are aware that is relevant to the preparation and fair presentation of the financial statements such as records, documentation, and other matters;
    b. Additional information that you have requested from us for the purpose of the audit;
    c. Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
    d. Minutes of the meetings of the governing board and committees, or summaries of actions of recent meetings for which minutes have not yet been prepared.

17. All transactions have been recorded in the accounting records and are reflected in the financial statements.

18. We have disclosed to you the results of our assessment of risk that the financial statements may be materially misstated as a result of fraud.

19. We have no knowledge of allegations of fraud or suspected fraud, affecting the entity's financial statements involving:
    a. Management.
    b. Employees who have significant roles in the internal control.
    c. Others where the fraud could have a material effect on the financial statements.

20. We have no knowledge of any allegations of fraud or suspected fraud affecting the Organization's financial statements received in communications from employees, former employees, regulators, or others.

21. We have no knowledge of noncompliance or suspected noncompliance with laws and regulations. Additionally, we specifically represent that we are responsible for determining that we are not subject to the requirements of the Single Audit Act because we have not received, expended or otherwise been the beneficiary of the required amount of federal awards during the period of this audit.

22. We are not aware of any pending or threatened litigation and claims whose effects were considered when preparing the financial statements and we have not consulted legal counsel concerning litigation or claims.

23. We have disclosed to you the identity of the entity's related parties and all the related-party relationships and transactions of which we are aware.

24. We are aware of no significant deficiencies, including material weaknesses, in the design or operation of internal controls that could adversely affect the Organization's ability to record, process, summarize, and report financial data.

25. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.

26. We have received a determination from the Internal Revenue Service (IRS) that we are exempt from federal income taxes as a Section 501(c)(3) not-for-profit corporation, and we have complied with the IRS regulations regarding this exemption.

27. We are responsible for determining that significant events or transactions that have occurred since the balance sheet date and through the date of this letter, have been recognized or disclosed in the financial statements. No events or transactions have occurred subsequent to the balance sheet date and through the date of this letter that would require recognition or disclosure in the financial statements. We further represent that as of the date of this letter, the financial statements were complete in a form and format that complied with accounting principles generally accepted in the United States of America, and all approvals necessary for issuance of the financial statements had been obtained.

28. During the course of your audit, you may have accumulated records containing data that should be reflected in our books and records. All such data have been so reflected. Accordingly, copies of such records in your possession are no longer needed by us.

29. The Organization has taken no actions that would jeopardize its not-for-profit status. With respect to for-profit subsidiaries and/ or activities subject to taxation, the financial statements include all material liabilities for uncertain tax positions (including positions related to returns that should have been, but were not, filed) and disclosures required by ASC 740-10 (formerly FIN 48).

30. Ben Parks-Stamm, Chief Financial Officer, has reviewed the Checklist for Disclosures and we are satisfied that the financial statements contain all material disclosures required by generally accepted accounting principles.

Very truly yours,

Onpoint Health Data

James Harrison, President/CEO

Ben Parks-Stamm, Chief Financial Officer

Onpoint Health Data

Audited Financial Statements

Years Ended September 30, 2021 and 2020
With Independent Auditors' Report

Baker Newman & Noyes LLC
MAINE I MASSACHUSETTS I NEW HAMPSHIRE
800.244.7444 I www.bnncpa.com

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Onpoint Health Data

We have audited the accompanying financial statements of Onpoint Health Data, which comprise the statement of financial position as of September 30, 2021, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

To the Board of Directors
Onpoint Health Data

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Onpoint Health Data as of September 30, 2021, and the results of its activities, changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matter – September 30, 2020 Financial Statements

The financial statements of Onpoint Health Data as of and for the year ended September 30, 2020, were audited by other auditors whose report dated January 22, 2021 expressed an unmodified opinion on those financial statements.

Baker Newman + Noyes LLC

Portland, Maine
January 27, 2022

ONPOINT HEALTH DATA

STATEMENTS OF FINANCIAL POSITION

September 30, 2021 and 2020

	2021	2020
ASSETS		
Assets:		
Cash and cash equivalents	$ 5,197,053	$ 5,161,833
Accounts receivable	2,005,259	1,191,527
Prepaid expenses and other current assets	179,262	229,823
Total current assets	7,381,574	6,583,183
Other asset	19,500	–
Property and equipment:		
Office equipment	2,079,156	3,846,161
Internally developed software	629,473	297,076
Accumulated depreciation and amortization	(1,715,980)	(2,980,645)
Total property and equipment	992,649	1,162,592
Total assets	$ 8,393,723	$ 7,745,775
LIABILITIES AND NET ASSETS		
Liabilities:		
Accounts payable	$ 419,797	$ 210,057
Accrued payroll and other current liabilities	846,468	640,795
Current portion of notes payable	–	957,400
Deferred compensation plan	19,500	–
Total liabilities	1,285,765	1,808,252
Net assets:		
Without donor restrictions	7,107,958	5,937,523
Total liabilities and net assets	$ 8,393,723	$ 7,745,775

See accompanying notes.

ONPOINT HEALTH DATA

STATEMENTS OF ACTIVITIES

Years Ended September 30, 2021 and 2020

	2021	2020
Revenue:		
Contracted services	$10,318,042	$9,554,516
Interest income	5,815	21,912
Forgiveness of Payroll Protection Program loan	957,400	–
Total revenue	11,281,257	9,576,428
Expenses:		
Personnel	6,223,695	5,743,265
Contractual services	818,237	826,638
Information technology	1,971,976	1,390,876
Depreciation and amortization	425,690	508,493
Occupancy	315,294	296,855
Supplies and other	52,691	51,719
Conference and training	53,965	55,171
Repairs and maintenance	53,779	59,826
Travel	20,767	51,901
Telephone and postage	26,123	27,664
Advertising	15,775	41,403
Total program expenses	9,977,992	9,053,811
Loss on disposal of office equipment	(132,830)	(4,715)
Change in net assets without donor restrictions	1,170,435	517,902
Net assets without donor restrictions, beginning of year	5,937,523	5,419,621
Net assets without donor restrictions, end of year	$ 7,107,958	$5,937,523

See accompanying notes.

ONPOINT HEALTH DATA

STATEMENTS OF CASH FLOWS

Years Ended September 30, 2021 and 2020

	2021	2020
Cash flows from operating activities:		
Change in net assets	$1,170,435	$ 517,902
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	425,690	508,493
Loss on disposal of office equipment	132,830	4,715
Forgiveness of Payroll Protection Program loan	(957,400)	–
(Increase) decrease in operating assets:		
Accounts receivable	(813,732)	32,918
Prepaid expenses and other current assets	50,561	(57,528)
Increase (decrease) in operating liabilities:		
Accounts payable	209,740	(281)
Accrued payroll and other current liabilities	205,673	982
Deferred contract revenue	–	(101,250)
Net cash provided by operating activities	423,797	905,951
Cash flows from investing activities:		
Purchases of property and equipment	(388,617)	(294,542)
Proceeds from disposal of property and equipment	40	100
Net cash provided by investing activities	(388,577)	(294,442)
Cash flows from financing activities:		
Proceeds from Payroll Protection Program	–	957,400
Net cash provided by financing activities	–	957,400
Net increase in cash and cash equivalents	35,220	1,568,909
Cash and cash equivalents, beginning of year	5,161,833	3,592,924
Cash and cash equivalents, end of year	$5,197,053	$5,161,833

See accompanying notes.

1. Nature of Organization

Onpoint Health Data (the Organization) is a not-for-profit entity that was established in 1976. The Organization operates as a health data management and analytics organization. This includes the studies of health service utilization, quality, and costs of populations and providers of care through the collection, normalization, and preparation of such data. The Organization provides research and data compilation services for various health care data users in California, Connecticut, Maine, Massachusetts, Minnesota, Oregon, Pennsylvania, Rhode Island, Vermont, and Washington. It is governed by an independent Board of Directors. The members of the Board consist of representatives of the original incorporators of the Organization and additional individuals who are elected to the Board.

2. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United State of America (U.S. GAAP). Net assets, revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported, as follows:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

Net Assets With Donor Restrictions – Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as revenue when the assets are placed in service. Donor- imposed restrictions are released when a restriction expires; that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

The Organization has no net assets with donor restrictions as of September 30, 2021 and 2020.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires the Organization to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Organization considers cash in banks and all other highly liquid investments with original maturities of three months or less to be cash and cash equivalents for purposes of the statements of cash flows.

2. Summary of Significant Accounting Policies (Continued)

Accounts Receivable

The Organization records a receivable when eligible to bill per the terms of its contract with its customers. Accounts receivable are stated at unpaid balances, less an allowance for doubtful accounts when necessary. Management evaluates its accounts receivable and establishes an allowance for doubtful accounts based on its assessment of the current status of individual accounts. The policy is to charge off uncollectible accounts receivable when management determines the receivable will not be collected. Management determined that no allowance for uncollectible accounts was needed as of September 30, 2021 and 2020.

Revenue Recognition

The Organization derives its revenue from data management and data analytic services.

Revenue is recognized upon transfer of control of promised products and services to customers in an amount that reflects the consideration the Organization expects to receive in exchange for those products or services. The Organization determines the amount of revenue to be recognized through application of the following steps:

- Identification of the contract with a customer;
- Identification of the performance obligations in the contract;
- Determination of the transaction price;
- Allocation of the transaction price to the performance obligations in the contract; and
- Recognition of revenue when or as the Organization satisfies the performance obligations.

The Organization's arrangements are noncancelable for the initial term (varies in length) and do not contain refund-type provisions.

The Organization frequently enters into contracts with its customers that include promises to transfer multiple reports, support and data analytics. A performance obligation is a promise in a contract with a customer to transfer products or services that are distinct. Determining whether products and services are distinct performance obligations that should be accounted for separately or combined as one unit of accounting may require significant judgment.

To date, the Organization has concluded that all of the services included in contracts with multiple performance obligations are not distinct in terms of the contract.

The Organization bills amounts under contracts in accordance with the contractual terms. Many contracts provide for progress payments to be made to the Organization based upon agreed-upon task plans or specific milestones. Contract costs include all direct labor costs and those indirect costs related to job performance.

2. Summary of Significant Accounting Policies (Continued)

Property and Equipment

Depreciation and amortization is computed using the straight-line method over the estimated lives of the assets. Estimated useful life for office equipment and software is two to five years. The Organization capitalizes all expenditures on capital assets and software over $500 with a life of more than one year. Property and equipment is capitalized at cost.

Software Development Costs

The Organization capitalizes development costs for internal use software. The Organization capitalizes incurred labor costs for software development from the time technological feasibility of the software is established, or when the preliminary project phase is completed in the case of internal-use software. Costs incurred in the preliminary stage prior to meeting these criteria are expensed. During the years ended September 30, 2021 and 2020, the Organization capitalized $332,397 and $297,076 of costs incurred for software development, respectively. The majority of the software was placed in service in 2021, and the Organization recognized $89,561 in related amortization expense during the year ended September 30, 2021.

Income Taxes

The Organization is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, there is no provision for income taxes within the financial statements.

Tax-exempt organizations could be required to record an obligation for income taxes as the result of a tax position they have historically taken on various tax exposure items including unrelated business income or tax status. Under guidance issued by the Financial Accounting Standards Board (FASB), assets and liabilities are established for uncertain tax positions taken or positions expected to be taken in income tax returns when such positions are judged to not meet the "more-likely-than-not" threshold, based upon the technical merits of the position.

The Organization has evaluated the positions taken on its filed tax returns. The Organization has concluded no uncertain income tax positions exist at September 30, 2021.

New Accounting Pronouncement

In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2014-09, *Revenue from Contracts with Customers* (*Topic 606*). ASU No. 2014-09 supersedes virtually all existing revenue guidance. Under this standard, an entity is required to recognize revenue upon transfer of promised goods or services to customers, in an amount that reflects the expected consideration received in exchange for those goods or services. As such, an entity needs to use more judgment and make more estimates than under the previous guidance. On October 1, 2020, the Organization adopted the new accounting standard and all related amendments using the modified retrospective method which allows application only to the most current reporting period presented in the financial statements with a cumulative effect adjustment to retained earnings. The Organization determined that the new standard required no change in the timing of when revenue is recognized. As a result, no cumulative effect adjustment was required.

2. Summary of Significant Accounting Policies (Continued)

Prospective Accounting Pronouncement

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)* (ASU 2016-02). Under ASU 2016-02, at the commencement of a long-term lease, lessees will recognize a liability equivalent to the discounted payments due under the lease agreement, as well as an offsetting right-of-use asset. ASU 2016-02 is effective for the Organization on October 1, 2022, with early adoption permitted. Lessees (for capital and operating leases) may apply a modified retrospective transition approach for leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements. The modified retrospective approach would not require any transition accounting for leases that expired before the earliest comparative period presented. Lessees may not apply a full retrospective transition approach. The Organization is currently evaluating the impact of the pending adoption of ASU 2016-02 on its financial statements.

Concentration of Credit Risk

Financial instruments, which subject the Organization to credit risk, consist of cash and cash equivalents, and accounts receivable. The risk, with respect to cash equivalents, is minimized by Organization policy of investing in financial instruments with highly rated financial institutions. Cash equivalents consist of money market funds and, while subject to market risk, do not represent any significant concentrations.

The Organization maintains its cash in bank deposit accounts. Accounts are guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to $250,000, and at various times throughout the year, the Organization's cash balances exceeded FDIC Insurance. The Organization has not experienced any losses in these accounts and believes it is not exposed to any significant risk on cash or cash equivalents.

Accounts receivable consist of amounts due from a variety of governmental, health care and private corporate organizations. Approximately 75% of the Organization's accounts receivable balance is from four sources at September 30, 2021 and approximately 85% of the Organization's accounts receivable balance was from five sources at September 30, 2020. The Organization performs ongoing credit evaluation of its customers and generally does not require collateral.

The Organization recognized approximately 57% of its revenue from four major sources in the year ending September 30, 2021 and approximately 47% of its revenue from three major sources in the year ending September 30, 2020.

Subsequent Events

Events occurring after the statement of financial position date are evaluated by management to determine whether such events should be recognized or disclosed in the financial statements. Management has evaluated subsequent events through January 27, 2022 which is the date the financial statements were available to be issued.

3. Liquidity and Availability

The Organization does not have a liquidity policy. Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following at September 30:

	2021	2020
Cash and cash equivalents	$5,197,053	$5,161,833
Accounts receivable	2,005,259	1,191,527
Financial assets available for general expenditure	$7,202,312	$6,353,360

In addition, the Organization has $500,000 available to borrow from its line of credit (Note 6).

4. Leases

The Organization leases office space in Portland, Maine from a third party. The term of the lease is for five years beginning on March 15, 2017 and ends on September 30, 2023. Rent expense under this lease for the years ended September 30, 2021 and 2020 totaled $161,000 and $144,575, respectively.

Future minimum payments under the property operating lease as of September 30, 2021 are $166,864 in 2022 and $179,430 in 2023.

The Organization entered into a five-year operating office equipment lease in August 2020. The copier lease requires monthly payments of $462 beginning August 2020. On September 30, 2020, the Organization entered into a three-year operating lease for a passenger motor vehicle, which requires monthly payments of $850.

Equipment lease expense for the years ended September 30, 2021 and 2020 totaled $15,748 and $22,577, respectively.

Future minimum payments under the equipment operating leases as of September 30, 2021 are as follows for years ending September 30:

2022	$15,748
2023	14,898
2024	5,549
2025	4,625
	$40,820

5. Note Payable

In 2020, the Organization received loan proceeds in the amount of $957,400 under the Paycheck Protection Program (PPP). The PPP, established as part of the *Coronavirus Aid, Relief and Economic Security Act* (CARES Act), provides for loans to qualifying businesses for amounts up to 2.5 times the average monthly payroll expenses of the qualifying business. The loans and accrued interest had original terms that were forgivable after eight weeks or twenty-four weeks, based on the borrower's election, as long as the borrower used the loan proceeds for eligible purposes, including payroll, benefits, rent and utilities, and maintains its payroll levels. The amount of loan forgiveness would be reduced if the borrower terminated employees or reduced salaries during the eight-week period.

The Organization utilized all of the proceeds for the purpose consistent with the PPP. On November 16, 2020, the Organization received notification that 100% of its PPP loan had been forgiven by the Small Business Administration (SBA) and no further action is required. The Organization recognized $957,400 as revenue for the year ended September 30, 2021.

6. Line of Credit

The Organization has a $500,000 revolving line of credit maturing on March 30, 2022, with interest on borrowings at the bank's prime rate, plus 0.75%, currently 4.00%. There was no outstanding balance for the years ended September 30, 2021 and 2020.

7. Retirement Plans

The Organization has a defined contribution pension plan, which covers substantially all employees. Under the terms of the Plan, the Organization contributes both a percentage of each employee's salary and a matching contribution based on each employee's salary deferral. Contributions vest 100% when made. The employee also has the option of contributing additional amounts up to Internal Revenue Service limits into the Plan. Employer contributions of $339,993 and $310,828 were made during the years ended September 30, 2021 and 2020, respectively.

In 2021, the Organization established a nonqualified contribution plan to provide supplemental retirement benefits to certain employees. Contributions into the plan totaled $19,500 in 2021. The assets and liabilities of the plan each totaling $19,500 at December 31, 2021 are recorded as other assets and other liabilities on the statement of financial position.

8. Functional Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The following expenses have been allocated based on direct identification or time and effort as applicable. Expenses incurred in providing these services are as follows for years ended September 30:

	Program Services	Management and General	Total
2021			
Personnel	$5,603,343	$620,352	$6,223,695
Contractual services	778,931	39,306	818,237
Information technology	1,962,407	9,569	1,971,976
Depreciation and amortization expense	395,321	30,369	425,690
Occupancy	287,065	28,229	315,294
Supplies and other	22,095	30,596	52,691
Conference and training	53,837	128	53,965
Repairs and maintenance	48,964	4,815	53,779
Travel	20,442	325	20,767
Telephone and postage	24,243	1,880	26,123
Advertising	–	15,775	15,775
	$9,196,648	$781,344	$9,977,992
2020			
Personnel	$5,179,063	$564,202	$5,743,265
Contractual services	749,077	77,561	826,638
Information technology	1,383,666	7,210	1,390,876
Depreciation and amortization expense	485,059	23,434	508,493
Occupancy	291,657	5,198	296,855
Supplies and other	18,248	33,471	51,719
Conference and training	38,461	16,710	55,171
Repairs and maintenance	29,913	29,913	59,826
Travel	38,254	13,647	51,901
Telephone and postage	25,432	2,232	27,664
Advertising	41,403	–	41,403
	$8,280,233	$773,578	$9,053,811