

RESOLUTION NO. 2016-142

**A RESOLUTION BY THE BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY, FLORIDA, APPROVING THE TERMS, PROVISIONS, CONDITIONS, AND REQUIREMENTS OF AN COMPREHENSIVE MEDICAL SERVICES AGREEMENT AND A LETTER OF AGREEMENT BETWEEN THE BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY, AND FLAGLER HOSPITAL, INC., FOR THE PROVISION OF MEDICAL SERVICES TO UNINSURED, UNDERINSURED, AND MEDICALLY INDIGENT RESIDENTS OF ST. JOHNS COUNTY, AND AUTHORIZING THE COUNTY ADMINISTRATOR, OR DESIGNEE, TO EXECUTE THE AGREEMENT AND LETTER OF AGREEMENT ON BEHALF OF THE COUNTY.**

**WHEREAS**, Section 125.01(1)(e), Florida Statutes, authorizes the County to provide health welfare programs for the residents of the County to the extent not inconsistent with general or special law; and

**WHEREAS**, the County has established a variety of programs for providing healthcare services to the uninsured, underinsured and medically indigent residents of the County; and;

**WHEREAS**, the County and Flagler Hospital can maximize resources and efficiency by entering into an agreement to fund medical services to underinsured, underinsured, and medically indigent residents of the County; and

**WHEREAS**, County desires to establish a maximum amount of annual funding for the program; and

**WHEREAS**, the County has allocated \$470,000.00 in its fiscal year 2015-2016 budget for the program; and

**WHEREAS**, County desires to contract with Flagler Hospital to provide program services as identified in the attached Comprehensive Medical Services Agreement; and

**WHEREAS**, Flagler Hospital is willing to provide such services, subject to the terms and conditions set forth in the agreement.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY:**

**Section 1.** The above recitals are incorporated into the body of this resolution and

are adopted as findings of fact.

**Section 2.** The Board of County Commissioners authorizes the County Administrator, or his designee, to execute the attached Comprehensive Medical Services Agreement and Letter of Agreement, the contents of which are incorporated into this resolution, with Flagler Hospital on behalf of the County.

**Section 3.** To the extent that there are typographical or administrative errors or omissions that do not change the tone, tenor, or context of this Resolution, then this Resolution may be revised, without subsequent approval of the Board of County Commissioners.

**PASSED AND ADOPTED** by the Board of County Commissioners of St. Johns County, Florida, this 7th day of June, 2016.

BOARD OF COUNTY COMMISSIONERS OF  
ST. JOHNS COUNTY, FLORIDA

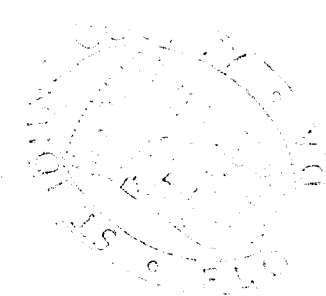
Attest:

Pam Halterman  
Deputy Clerk

By:

Jeb S. Smith  
Jeb S. Smith, Chair

RENDITION DATE 6/9/16



## LIP 6 Letter of Agreement

THIS LETTER OF AGREEMENT (LOA) made and entered into in duplicate on the \_\_\_\_\_ day of \_\_\_\_\_ 2014, by and between St. Johns County (the County) on behalf of Flagler Hospital, and the State of Florida, through its Agency for Health Care Administration (the Agency),

1. Per the requirements of House Bill 5001, the General Appropriations Act of State Fiscal Year 2014-2015, passed by the 2014 Florida Legislature, the County and the Agency agree that County will remit to the Agency an amount not to exceed \$620,000. Please note this amount may include credits from prior year's IGT reconciliations (a breakdown can be found below). The LOA's original amount prior to credits was \$728,063.
  - a. The County and the Agency have agreed that these funds will only be used to increase the provision of health services for the Medicaid, uninsured, and underinsured people of the County.
  - b. The increased provision of Medicaid, uninsured, and underinsured funded health services will be accomplished through the Low Income Pool (LIP) Program.
2. The County will pay the Agency an amount not to exceed \$620,000. The County will transfer payments to the Agency in the following manner:
  - a. The first quarterly payment of \$155,000 for the months of July, August, and September is due upon notification by the Agency.
  - b. Each successive payment of \$155,000 is due as follows, November 30, 2014, March 31, 2015 and May 25, 2015.
  - c. The Agency will bill the County when each quarterly payment is due.
3. Timelines: This LOA must be signed, submitted, and received by the Agency no later than October 1, 2014 for all providers listed on Table 2a of the House Bill 5001 in order to be effective for State Fiscal Year 2014-2015. Should funding not be secured by October 1, 2014 the Agency will execute with other local governmental entities by October 31, 2014. House Bill 5001 Specific Appropriation 212 language is as follows:

In order for the agency to certify the qualified nonfederal share of matching funds, a local governmental entity must submit a final, executed letter of agreement to the agency, which must be received by October 1, 2014 and provide the total amount of nonfederal share of matching funds authorized by the entity under this paragraph or the General Appropriations Act. If Table 2a funds are not secured by October 1, 2014, the Agency for Health Care Administration may execute letters of agreement with other local governmental entities by October 31, 2014.

4. Attached is the LIP 6 schedule reflecting the anticipated annual distributions for State Fiscal Year 2014-2015.

5. The County and the Agency agree that the Agency will maintain necessary records and supporting documentation applicable to Medicaid, uninsured, and underinsured health services covered by this LOA. Further, the County and Agency agree that the County shall have access to these records and the supporting documentation by requesting the same from the Agency.
6. The County and the Agency agree that any modifications to this LOA shall be in the same form, namely the exchange of signed copies of a revised LOA.
7. The County confirms that there are no pre-arranged agreements (contractual or otherwise) between the respective counties, taxing districts, or the providers to re-direct any portion of these aforementioned Medicaid supplemental payments in order to satisfy non-Medicaid, non-uninsured, and non-underinsured activities.
8. The County agrees the following provision shall be included in any agreements between the County and local providers where funding is provided for the Medicaid program: Funding provided in this agreement shall be prioritized so that designated funding shall first be used to fund the Medicaid program (including LIP) and used secondarily for other purposes.
9. This LOA covers the period of July 1, 2014 through June 30, 2015 and shall be terminated June 30, 2015.

<b>LIP 6 Local Intergovernmental Transfers (IGTs)</b>	
<b>State Fiscal Year 2014-2015</b>	
<b>IGTs Needed Prior to Credits</b>	<b>\$728,063</b>
<b>SFY 1213 IGT Rec Credits</b>	<b>\$108,063</b>
<b>Total Funding</b>	<b>\$620,000</b>

IN WITNESS WHEREOF the parties have duly executed this LOA on the day and year above first written.

St. Johns County

State of Florida

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Stacey Lampkin  
Assistant Deputy Secretary for Medicaid Finance,  
Agency for Health Care Administration

\_\_\_\_\_  
Name

\_\_\_\_\_  
Title

**COMPREHENSIVE MEDICAL SERVICES AGREEMENT  
BETWEEN  
ST. JOHNS COUNTY AND FLAGLER HOSPITAL**

THIS AGREEMENT is made and entered into by and between St. Johns County, a political subdivision of the state of Florida, (the County) and Flagler Hospital, a Florida not-for-profit hospital, incorporated under the laws of the State of Florida (the Hospital).

**RECITALS**

WHEREAS, Section 125.01(1)(e), Florida Statutes, authorizes the County to provide health welfare programs for the residents of the County to the extent not inconsistent with general or special law; and

WHEREAS, the County has established a variety of programs for providing healthcare services to the uninsured, underinsured and medically indigent residents of the County; and;

WHEREAS, the State of Florida participates in the State's Low Income Pool (LIP) which is designed to compensate hospitals who provide a disproportionate share of Medicaid and/or charity care services; and

WHEREAS, the Hospital qualifies for the LIP program;

WHEREAS, the County and the Hospital can maximize resources and efficiency by entering into this Agreement; and

WHEREAS, County desires to establish a maximum amount of annual funding for the program; and

WHEREAS, the County and the Hospital have determined that the maximum reduction of State Share revenue will not exceed \$470,000.00 in its fiscal year 2015-2016; and

WHEREAS, County and the Hospital agree that funding provided in the agreement shall be prioritized so that designated funds shall only be used to increase the provision of health services for the Medicaid, uninsured, and underinsured people of the County and the State of Florida at large;

WHEREAS, County desires to contract with Hospital to provide program services as identified herein; and

WHEREAS, Hospital is willing to provide such services, subject to the terms and conditions set forth in the Agreement.

NOW THEREFORE, in consideration of the covenants set forth below, the sufficiency of which is mutually acknowledged, the parties hereby agree as follows:

**ARTICLE I  
SERVICES TO BE PERFORMED**

1. The Hospital shall provide inpatient care for eligible residents of St. Johns County. Patient eligibility shall be determined according to the criteria set forth in Article II.
2. All services shall be performed at the Hospital's licensed facility. The Hospital shall maintain licenses for facility at all times throughout the term of this Agreement. Failure to maintain its licenses shall be grounds for termination.
3. The Hospital shall notify the County if sufficient staff, facilities and equipment necessary to deliver the agreed upon services cannot be maintained. Failure to notify the County of any such deficiencies, or to adequately provide the services described above, shall be considered a breach of this Agreement and grounds for termination under Article IV.
4. The Hospital shall use its best efforts to obtain all supplies and services for use in the performance of this Agreement at the lowest practicable cost.
5. In the performance of this contract, it is agreed between the parties that the Hospital is an independent contractor and is solely liable for the performance of all services contemplated herein.
6. This Agreement shall not interfere with the treatment procedures of patients administered by or under the direction of any physician or other individual authorized by Hospital.

**ARTICLE II  
PATIENT ELIGIBILITY**

1. Patient eligibility for services under this contract shall be determined on the basis of the most current annual Federal Poverty Level guidelines established by the Federal Office of Management and Budget.
2. The Hospital shall use the following criteria as the basis for patient eligibility:
  - A. The patient must provide evidence of residency in St. Johns County;
  - B. The patient must be a member of a family unit whose usual income is at or below the Federal Poverty Level for the four months prior to admission;
  - C. The family unit must not exceed the asset limit set by the Florida Medicaid Medically Needy Program; and

- D. The patient must not have insurance coverage or be eligible for any other program, public or private, that would provide for the payment of the services.
3. The Hospital will make reasonable efforts to determine if individuals are eligible for other governmental or third party payors. All potentially eligible Medicaid clients will be referred to the Florida Department of Children and Families. Such clients shall not be covered under this Agreement until receipt of a Medicaid denial for reasons other than noncompliance.

### **ARTICLE III PAYMENTS**

1. The County shall make quarterly payments to the State of Florida in accordance with the Letter of Agreement entered into between County and the State of Florida, through the Agency for Health Care Administration, said letter being attached hereto as Exhibit A and incorporated herein by reference. The total amount of payments made for services performed under this agreement shall not exceed \$470,000.00 for County fiscal year 2015-2016. Payments made to the State shall be considered payment in full for all inpatient services performed under this Agreement and shall be the total maximum amount County shall pay for medical services provided to the indigent, uninsured and underinsured.
2. Funding provided under this Agreement shall be prioritized so that designated funding shall first be used to fund the Medicaid program (including LIP) and used secondarily for other purposes.
3. Services to be provided to patients who meet the qualification requirements for Federal or State health care benefits, including Medicare and Medicaid, except as specifically provided for herein, shall not be covered by this Agreement.
4. The Hospital agrees not to bill any patient, request payment, or receive payment from any patient submitted to the County as eligible under this Agreement. The Hospital agrees that the payment made under this Agreement or any third party payment shall be considered payment in full, and the patient shall not be liable to the Hospital for any uncompensated expense related to this account or service. The Hospital has the right to pursue payment for any services that are not covered under this Agreement.
5. This Agreement is neither a general obligation of the County, nor is it backed by the full faith and credit of the County. The Hospital acknowledges that the County's obligations under this Agreement are contingent upon the appropriation of sufficient funds for that purpose by the Board of County Commissioners. Pursuant to the requirements of Section 129.07, Florida Statutes, payments made under this Agreement shall not exceed the amount appropriated in the County's budget for such purpose. Nothing in this Agreement shall create any

obligation on the part of the Board of County Commissioners to appropriate such funds for the payment of services provided under this Agreement during any given fiscal year.

**ARTICLE IV  
TERM OF AGREEMENT AND TERMINATION**

1. The term of this Agreement shall be for one year beginning on October 1, 2015, and ending on September 30, 2016.
2. Either party may terminate this Agreement without cause by giving at least thirty (30) calendar days' written notice of intent to terminate. In the event of termination, County shall pay for services rendered, prorated to the effective date of termination. The County shall continue to pay for any qualified inpatient receiving services on the date of termination until the discharge of such patient.
3. Upon breach of this Agreement, the aggrieved party may terminate all or part of the Agreement upon no less than twenty-four (24) hours' written notice to the breaching party. Waiver by either party of breach of any provisions of this Agreement shall not be deemed to be a waiver of any other or subsequent breach and shall not be construed to be a modification of the terms of this Agreement.
4. If County general funds to finance all or part of this Agreement do not become available, the obligations of each party hereunder may be terminated upon no less than twenty-four (24) hours notice in writing to the other party. The County shall be the final authority as to the availability of funds and as to how any available funds will be allocated among its various service providers.
5. The following shall constitute a breach of this Agreement:
  - A. The failure of the Hospital to provide services called for by this Agreement within the time specified herein or any extension thereof.
  - B. The failure of the Hospital to perform any of the other provisions of this Agreement.

**ARTICLE V  
ASSIGNMENT**

The Hospital shall not assign or transfer this Agreement, or any interest, right or duty herein, without the prior written consent of County.

**ARTICLE VI**



## **SUBCONTRACTING**

The parties agree that the Hospital shall be permitted to execute subcontracts for the purchase by the Hospital of such services, articles, supplies, and equipment which are both necessary and incidental to the performance of the work required under this Agreement. In addition, the parties agree that the Hospital intends to contract for third party claims processing; however, the Hospital expressly understands that it shall have ultimate responsibility for performing all services outlined in Article I of this Agreement.

## **ARTICLE VII LIABILITY**

1. The Hospital shall be liable for the performance of or failure to perform its obligations or responsibilities under this Agreement including, but not limited to, the failure to provide the necessary insurance coverage as provided by state law.
2. The Hospital shall be liable for any claim or damage arising out of the condition of the Hospital's property or the use of occupancy of the property by the Hospital or the Hospital's members, guests, or invitees.

## **ARTICLE VIII INSURANCE AND INDEMNIFICATION**

1. The Hospital shall be liable for the performance of or failure to perform its obligations or responsibilities under this Agreement including, but not limited to, the failure to provide the necessary insurance coverage as provided by state law.
2. Insurance Required.
  - A. Before execution of the contract by County and commencement of the operations and/or services to be provided, and during the duration of the contract, the Hospital shall file with the County Risk Management Division current certificates of all required insurance on forms acceptable to County, which shall include the following provisions:
    - i. All insurance policies shall be issued by companies authorized to do business under the laws of the State of Florida and acceptable to County.
    - ii. The Certificates shall clearly indicate that Hospital has obtained insurance of the type, amount and classification as required for strict compliance with this insurance section.
    - iii. No material change or cancellation of the insurance shall be effective without thirty (30) days prior written notice to County.
  - B. Coverages Required.

- i. Worker's Compensation – The Hospital shall provide coverage for their employees with statutory workers' compensation limits, and no less than \$100,000 for Employer's Liability. Said coverage shall include a waiver of subrogation in favor of County and its agents, employees and officials.
  - ii. Commercial General Liability – The Hospital shall provide coverage for all operations including, but not limited to Contractual, Products and Completed Operations, and Personal Injury. The limits shall be no less than \$500,000 per occurrence, Combined Single Limits (CSL) or its equivalent. The General Aggregate limit shall either apply separately to the Agreement or shall be at least twice the required occurrence limit.
  - iii. Business Automobile Liability – The Hospital shall provide coverage for all owned, non-owned and hired vehicles with limits of not less than \$500,000 per occurrence, Combined Single Limits (CSL) or its equivalent.
  - iv. Professional Liability – The Hospital shall provide coverage for Professional Liability for limits not less than \$1,000,000.
  - v. The County shall be specifically included as an additional insured on the general liability policy.
- C. The Hospital and all persons employed by it and providing medical services to patients under this Agreement shall comply at all times with State of Florida requirements for medical malpractice insurance, self-insurance, or financial responsibility, or any combination thereof, as the Hospital or person providing the service may determine. Failure of the Hospital to maintain adequate insurance coverage for itself or for any other person or entity for whom it is responsible, or to ensure that its subcontractors maintain adequate insurance coverage, shall not relieve the Hospital of any contractual responsibility or obligation.
- D. All such insurance required of the Hospital shall be primary to, and not combined with, any insurance or self-insurance maintained by County.
- E. Any exceptions to the insurance requirements in this section must be approved in writing by County.
- F. Compliance with these insurance requirements shall not relieve or limit the Hospital's liabilities and obligations under this Agreement.
- G. Failure of the County to demand certificates or other evidence of all compliance with these insurance requirements or failure of County to identify a deficiency from evidence provided will not be construed as a waiver of Providers obligation to maintain such insurance.

3. The Hospital shall indemnify, defend, and hold the County harmless from all claims, losses, and costs, including attorney's fees, associated with the services provided under this Agreement.

## **ARTICLE IX RECORDS**

1. The Hospital agrees to establish and maintain orderly and complete books, records and documents (including electronic storage media) of its accounts and operations related to the services provided under this Agreement for a period of three (3) years following the termination of this Agreement. The Hospital shall keep these records open for inspection by County personnel during regular business hours upon reasonable advanced, written notice. In addition, the Hospital agrees to retain all records and documents pertinent to this contract for a period of five (5) years after termination of the contract. If an audit has been initiated or litigation commenced, which has not been resolved at the end of five (5) years, the records shall be retained until resolution of the audit findings or any litigation which may be based on or related to this contract.
2. The Hospital shall make available to County for periodic audit, billing data prepared under their regular accounting procedures using their normal rate charges for all patients covered by this Agreement treated at the Hospital's facilities, using standard UB-92 or 1500 billing forms. Billing data prepared by the Hospital shall contain the patient's name and detailed information about the services rendered at the Hospital published charges for such services, or a summary description of the total of all such services and charges rendered. For the convenience of the Hospital, and to accommodate its internal billing and accounting mechanisms, similar billing data regarding physician services provided in furtherance of this Agreement may be separately and directly provided to the Hospital's third party payment company.
3. Access to Records. The access to, disclosure, non-disclosure, or exemption of records, data, documents, or materials associated with this Agreement shall be subject to the applicable provisions of the Florida Public Records Law (Chapter 119, Florida Statutes). Access to such public records may not be blocked, thwarted, or hindered by placing the public records in the possession of a third party, or an unaffiliated party.
4. Review of Records. As a conditions of entering into this Agreement/Contract, and to ensure compliance, especially as it relates to any applicable law, rule, or regulation, the Hospital authorizes the County to examine, review, inspect, and/or audit the books and records, in order to determine whether compliance has been achieved with respect to the terms, conditions, provisions, rights, the Hospital is under no duty to provide access to documentation not related to this Agreement, or that is otherwise protected by County, State, or Federal law.

5. This Agreement shall in no way interfere with the treatment procedures of patients as carried out by or under the direction of any physician or other authorized individual. Except as otherwise provided by law, such records bearing of said relationship and treatment shall be confidential and shall not constitute public records.

#### **ARTICLE X CIVIL RIGHTS**

1. The Hospital shall not discriminate against any employee or person served on account of race, color, sex, age, religion, ancestry, national origin, handicap or marital status in the performance of the Agreement.
2. It is expressly understood that, upon receipt of evidence of such discrimination, the County shall have the right to terminate this Agreement for breach of Agreement.
3. The Hospital shall comply with Title VI of the Civil Rights Act of 1964 (42 USC 2000d) in regard to persons served.
4. The Hospital shall comply with Title VI of the Civil Rights Act of 1964 (42 USC 2000c) in regard to employees or applicants for employment.
5. The Hospital shall comply with Section 504 of the Rehabilitation Act of 1973 in regard to employees or applicants for employment and clients served.

#### **ARTICLE XI. OTHER CONDITIONS**

1. Any alterations, variations, modifications or waivers of provisions of this Agreement shall only be valid when they have been reduced to writing and duly signed and attached to the original of this Agreement. The parties agree to renegotiate the Agreement if revision of any applicable laws or regulations makes changes in the Agreement necessary.
2. This Agreement contains all the terms and conditions agreed upon by the parties. All items incorporated by reference are as though physically attached. No other agreements, oral or otherwise, regarding the subject matter of this Agreement, shall be deemed to exist or to bind any of the parties.
3. The Hospital shall obtain and possess throughout the term of this Agreement all licenses and permits applicable to their operations under federal, state and local laws, and shall comply with all fire, health and other applicable regulatory codes.

4. The Hospital agrees to cooperate with County in an annual review to ensure that all applicable County guidelines and requirements for fund recipients are being complied with.
5. This Agreement shall be construed according to the provisions of Florida law. Venue for any legal or administrative action arising under this Agreement shall lie exclusively in St. Johns County.

## **ARTICLE XII NOTICES**

All notices required under this Agreement shall be in writing and sent by registered or certified mail, postage prepaid, and return receipt requested, to the party to be notified at the address sent forth herein or at such other address as either party may from time to time designate in writing.

As to the Hospital:

Roger Carter, CFO  
Flagler Hospital  
400 Health Park Blvd.  
St. Augustine, Florida 32086

As to County:

Joy Andrews, Assistant County Administrator  
500 San Sebastian View  
St. Augustine, Florida 32084

and

Michael D. Wanchick  
County Administrator  
St. Johns County  
500 San Sebastian View  
St. Augustine, FL 32084

THIS AGREEMENT IS CONTINGENT UPON FULFILLMENT OF BOTH OF THE FOLLOWING EVENTS: (i) CERTIFICATION OF AHCA AGREEMENT BY CENTERS FOR MEDICAID AND MEDICARE SERVICES, AND (ii) APPROVAL BY AHCA OF PAYMENT STRUCTURE UNDER MEDICAID PROGRAM TO HOSPITAL.

IN WITNESS WHEREOF, the parties have executed this Agreement on the dates indicated below.

ST. JOHNS COUNTY, FLORIDA

By Its County Administrator

By: \_\_\_\_\_

Michael D. Wanchick  
County Administrator

Date: \_\_\_\_\_

ATTEST: Cheryl Strickland  
Clerk of the Courts

**APPROVED AS TO LEGAL SUFFICIENCY:  
COUNTY ATTORNEY'S OFFICE**

By: \_\_\_\_\_

Deputy Clerk

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

FLAGLER HOSPITAL, INC.

By: \_\_\_\_\_

Title: \_\_\_\_\_

ATTEST:

Date: \_\_\_\_\_

By: \_\_\_\_\_

Date: \_\_\_\_\_

**COMPREHENSIVE MEDICAL SERVICES AGREEMENT  
BETWEEN  
ST. JOHNS COUNTY AND FLAGLER HOSPITAL**

**THIS AGREEMENT** is made and entered into by and between St. Johns County, a political subdivision of the state of Florida, (the County) and Flagler Hospital, a not-for-profit hospital incorporated under the laws of the State of Florida (the Hospital).

**RECITALS**

**WHEREAS**, Section 125.01(1)(e), Florida Statutes, authorizes the County to provide health welfare programs for the residents of the County to the extent not inconsistent with general or special law; and

**WHEREAS**, the County has established a variety of programs for providing healthcare services to the uninsured, underinsured and medically indigent residents of the County; and;

**WHEREAS**, the County and the Hospital can maximize resources and efficiency by entering into this Agreement; and

**WHEREAS**, County desires to establish a maximum amount of annual funding for the program; and

**WHEREAS**, the County has allocated \$470,000.00 in its fiscal year 2015-2016 budget for the program; and

**WHEREAS**, County desires to contract with the Hospital to provide program services as identified herein; and

**WHEREAS**, Hospital is willing to provide such services, subject to the terms and conditions set forth in the Agreement.

**NOW THEREFORE**, in consideration of the covenants set forth below, the sufficiency of which is mutually acknowledged, the parties hereby agree as follows:

**ARTICLE I  
SERVICES TO BE PERFORMED**

1. The Hospital shall provide inpatient care for eligible residents of St. Johns County. Patient eligibility shall be determined according to the criteria set forth in Article II.
2. All services shall be performed either at the Hospital's licensed facility or at a licensed partner facility through the Hospital's outreach program. The Hospital shall maintain licenses for facility at all times throughout the term of this Agreement. Failure to maintain its licenses shall be grounds for termination.
3. The Hospital shall notify the County if sufficient staff, facilities and equipment necessary to deliver the agreed upon services cannot be maintained. Failure to notify the County of any

such deficiencies, or to adequately provide the services described above, shall be considered a breach of this Agreement and grounds for termination under Article IV.

4. The Hospital shall use its best efforts to obtain all supplies and services for use in the performance of this Agreement at the lowest practicable cost.
5. In the performance of this contract, it is agreed between the parties that the Hospital is an independent contractor and is solely liable for the performance of all services contemplated herein.
6. This Agreement shall not interfere with the treatment procedures of patients administered by or under the direction of any physician or other individual authorized by Hospital.

## **ARTICLE II PATIENT ELIGIBILITY**

1. Patient eligibility for services under this contract shall be determined on the basis of the most current annual Federal Poverty Level guidelines established by the Federal Office of Management and Budget.
2. The Hospital shall use the following criteria as the basis for patient eligibility:
  - A. The patient must provide evidence of residency in St. Johns County;
  - B. The patient must be a member of a family unit whose usual income is at or below the Federal Poverty Level for the four months prior to admission;
  - C. The patient must not have insurance coverage or be eligible for any other program, public or private, that would provide for the payment of the services.
3. The Hospital will make reasonable efforts to determine if individuals are eligible for other governmental or third party payors. All potentially eligible Medicaid clients will be referred to the Florida Department of Children and Families. Such clients shall not be covered under this Agreement until receipt of a Medicaid denial for reasons other than noncompliance.
4. The Hospital shall use the form attached hereto as Exhibit A to provide quarterly reports to the County providing data as to the number of eligible patients served under this Agreement and the types of services provided.

## **ARTICLE III PAYMENTS**

1. The County shall make payments to the Hospital in accordance with the Letter of Agreement entered into between County and the Hospital, said letter being attached hereto as Exhibit B and incorporated herein by reference. The total amount of payments made for services performed under this agreement shall not exceed \$470,000.00 for County fiscal year 2015-2016. Payments made to the Hospital shall be considered payment in full for all inpatient services performed under this Agreement and shall be the total maximum amount County shall pay for medical services provided to the indigent, uninsured and underinsured.



2. Services to be provided to patients who meet the qualification requirements for Federal or State health care benefits, including Medicare and Medicaid, except as specifically provided for herein, shall not be covered by this Agreement.
3. The Hospital agrees not to bill any patient, request payment, or receive payment from any patient submitted to the County as eligible under this Agreement. The Hospital agrees that the payment made under this Agreement or any third party payment shall be considered payment in full, and the patient shall not be liable to the Hospital for any uncompensated expense related to this account or service. The Hospital has the right to pursue payment for any services that are not covered under this Agreement.
4. This Agreement is neither a general obligation of the County, nor is it backed by the full faith and credit of the County. The Hospital acknowledges that the County's obligations under this Agreement are contingent upon the appropriation of sufficient funds for that purpose by the Board of County Commissioners. Pursuant to the requirements of Section 129.07, Florida Statutes, payments made under this Agreement shall not exceed the amount appropriated in the County's budget for such purpose. Nothing in this Agreement shall create any obligation on the part of the Board of County Commissioners to appropriate such funds for the payment of services provided under this Agreement during any given fiscal year.

**ARTICLE IV**  
**TERM OF AGREEMENT AND TERMINATION**

1. The term of this Agreement shall be for one year beginning on October 1, 2015, and ending on September 30, 2016.
2. This Agreement may be renewed at the County's option for a maximum of three one-year renewals. The funding for any renewal term shall be set forth in a Letter of Agreement in substantially the same form as provided in Exhibit B.
3. Either party may terminate this Agreement without cause by giving at least thirty (30) calendar days' written notice of intent to terminate. In the event of termination, County shall pay for services rendered, prorated to the effective date of termination. The County shall continue to pay for any qualified inpatient receiving services on the date of termination until the discharge of such patient.
4. Upon breach of this Agreement, the aggrieved party may terminate all or part of the Agreement upon no less than twenty-four (24) hours' written notice to the breaching party. Waiver by either party of breach of any provisions of this Agreement shall not be deemed to be a waiver of any other or subsequent breach and shall not be construed to be a modification of the terms of this Agreement.
5. If County general funds to finance all or part of this Agreement do not become available, the obligations of each party hereunder may be terminated upon no less than twenty-four (24) hours notice in writing to the other party. The County shall be the final authority as to the availability of funds and as to how any available funds will be allocated among its various service providers.

6. The following shall constitute a breach of this Agreement:

- A. The failure of the Hospital to provide services called for by this Agreement within the time specified herein or any extension thereof.
- B. The failure of the Hospital to perform any of the other provisions of this Agreement.

**ARTICLE V  
ASSIGNMENT**

The Hospital shall not assign or transfer this Agreement, or any interest, right or duty herein, without the prior written consent of County.

**ARTICLE VI  
SUBCONTRACTING**

The parties agree that the Hospital shall be permitted to execute subcontracts for the purchase by the Hospital of such services, articles, supplies, and equipment which are both necessary and incidental to the performance of the work required under this Agreement. In addition, the parties agree that the Hospital intends to contract for third party claims processing; however, the Hospital expressly understands that it shall have ultimate responsibility for performing all services outlined in Article I of this Agreement.

**ARTICLE VII  
LIABILITY**

- 1. The Hospital shall be liable for the performance of or failure to perform its obligations or responsibilities under this Agreement including, but not limited to, the failure to provide the necessary insurance coverage as provided by state law.
- 2. The Hospital shall be liable for any claim or damage arising out of the condition of the Hospital's property or the use of occupancy of the property by the Hospital or the Hospital's members, guests, or invitees.

**ARTICLE VIII  
INSURANCE AND INDEMNIFICATION**

- 1. Before execution of the contract by County and commencement of the operations and/or services to be provided, and during the duration of the contract, the Hospital shall file with the County Risk Management Division current certificates of all required insurance on forms acceptable to County, which shall include the following provisions:
  - A. All insurance policies shall be issued by companies authorized to do business under the laws of the State of Florida and acceptable to County.
  - B. The Certificates shall clearly indicate that Hospital has obtained insurance of the type, amount and classification as required for strict compliance with this insurance section.

- C. No material change or cancellation of the insurance shall be effective without thirty (30) days prior written notice to County.

The certificates shall specifically include the County as Additional Insured for all lines of coverage except worker's compensation and professional liability. A copy of the endorsement must accompany the certificate. Compliance with these requirements shall not relieve the Hospital of its liability and obligations under this Agreement.

Certificate Holder Address: St. Johns County, a political subdivision of the state of Florida  
500 San Sebastian View  
St. Augustine, FL 32084

2. Coverages Required.

- A. The Hospital shall maintain Comprehensive General Liability Insurance with minimum limits of \$1,000,000 per occurrence, \$2,000,000 aggregate, to protect the Hospital from claims for damages for bodily injury, including wrongful death, as well as claims for property damages which may arise from any operations under this Agreement, whether such operations are by the Hospital or anyone directly employed or contracting with the Hospital.
  - B. Worker's Compensation – During the life of this Agreement, the Hospital shall maintain adequate worker's compensation coverage in at least such amounts as required by Florida law.
  - C. Commercial General Liability – The Hospital shall provide coverage for all operations including, but not limited to Contractual, Products and Completed Operations, and Personal Injury. The limits shall be no less than \$500,000 per occurrence, Combined Single Limits (CSL) or its equivalent. The General Aggregate limit shall either apply separately to the Agreement or shall be at least twice the required occurrence limit.
  - D. Business Automobile Liability – The Hospital shall maintain Comprehensive Automobile Liability Insurance with minimum limits of \$300,000 combined single limit for bodily injury and property damage liability to protect the Hospital from claims for damages for bodily injury, including the ownership, use, or maintenance of owned and non-owned automobiles, including rented/hired automobiles, whether such operations are by the Hospital or anyone directly employed or contracting with the Hospital.
  - E. Professional Liability – During the life of this Agreement, the Hospital shall provide coverage for Professional Liability or Errors and Omissions Insurance with minimum limits of \$1,000,000.
3. The Hospital and all persons employed by it and providing medical services to patients under this Agreement shall comply at all times with State of Florida requirements for medical malpractice insurance, self-insurance, or financial responsibility, or any combination thereof, as the Hospital or person providing the service may determine. Failure of the Hospital to maintain adequate insurance coverage for itself or for any other person or entity for whom it is responsible, or to ensure that its subcontractors maintain adequate insurance coverage, shall not relieve the Hospital of any contractual responsibility or obligation.

4. All such insurance required of the Hospital shall be primary to, and not combined with, any insurance or self-insurance maintained by County.
5. Any exceptions to the insurance requirements in this section must be approved in writing by County.
6. Compliance with these insurance requirements shall not relieve or limit the Hospital's liabilities and obligations under this Agreement.
7. Failure of the County to demand certificates or other evidence of all compliance with these insurance requirements or failure of County to identify a deficiency from evidence provided will not be construed as a waiver of Providers obligation to maintain such insurance.
8. The Hospital shall indemnify, defend, and hold the County harmless from all claims, losses, and costs, including attorney's fees and litigation costs (regardless of whether such costs are taxable as attorney's fees), associated with the services provided under this Agreement.

#### **ARTICLE IX RECORDS**

1. The Hospital agrees to establish and maintain orderly and complete books, records and documents (including electronic storage media) of its accounts and operations related to the services provided under this Agreement for a period of three (3) years following the termination of this Agreement. The Hospital shall keep these records open for inspection by County personnel during regular business hours upon reasonable advanced, written notice. In addition, the Hospital agrees to retain all records and documents pertinent to this contract for a period of five (5) years after termination of the contract. If an audit has been initiated or litigation commenced, which has not been resolved at the end of five (5) years, the records shall be retained until resolution of the audit findings or any litigation which may be based on or related to this contract.
2. The Hospital shall make available to County for periodic audit, billing data prepared under their regular accounting procedures using their normal rate charges for all patients covered by this Agreement treated at the Hospital's facilities, using standard UB-92 or 1500 billing forms. Billing data prepared by the Hospital shall contain the patient's name and detailed information about the services rendered at the Hospital published charges for such services, or a summary description of the total of all such services and charges rendered. For the convenience of the Hospital, and to accommodate its internal billing and accounting mechanisms, similar billing data regarding physician services provided in furtherance of this Agreement may be separately and directly provided to the Hospital's third party payment company.
3. Access to Records. The access to, disclosure, non-disclosure, or exemption of records, data, documents, or materials associated with this Agreement shall be subject to the applicable provisions of the Florida Public Records Law (Chapter 119, Florida Statutes). Access to such public records may not be blocked, thwarted, or hindered by placing the public records in the possession of a third party, or an unaffiliated party.

4. Review of Records. As a conditions of entering into this Agreement/Contract, and to ensure compliance, especially as it relates to any applicable law, rule, or regulation, the Hospital authorizes the County to examine, review, inspect, and/or audit the books and records, in order to determine whether compliance has been achieved with respect to the terms, conditions, provisions, rights, the Hospital is under no duty to provide access to documentation not related to this Agreement, or that is otherwise protected by County, State, or Federal law.
5. This Agreement shall in no way interfere with the treatment procedures of patients as carried out by or under the direction of any physician or other authorized individual. Except as otherwise provided by law, such records bearing of said relationship and treatment shall be confidential and shall not constitute public records.

#### **ARTICLE X CIVIL RIGHTS**

1. The Hospital shall not discrimination against any employee or person served on account of race, color, sex, age, religion, ancestry, national origin, handicap or marital status in the performance of the Agreement.
2. It is expressly understood that, upon receipt of evidence of such discrimination, the County shall have the right to terminate this Agreement for breach of Agreement.
3. The Hospital shall comply with Title VI of the Civil Rights Act of 1964 (42 USC 2000d) in regard to persons served.
4. The Hospital shall comply with Title VI of the Civil Rights Act of 1964 (42 USC 2000c) in regard to employees or applicants for employment.
5. The Hospital shall comply with Section 504 of the Rehabilitation Act of 1973 in regard to employees or applicants for employment and clients served.

#### **ARTICLE XI OTHER CONDITIONS**

1. The recitals to this Agreement are incorporated herein and adopted as findings of fact.
2. This Agreement shall not be deemed or construed to create any agency relationship, partnership, association, or joint venture between the County and the Hospital.
3. This Agreement shall not confer third party beneficiary status or interest upon any person or entity not a party to this Agreement.
4. Any alterations, variations, modifications or waivers of provisions of this Agreement shall only be valid when they have been reduced to writing and duly signed and attached to the original of this Agreement. The parties agree to renegotiate the Agreement if revision of any applicable laws or regulations makes changes in the Agreement necessary.

5. This Agreement contains all the terms and conditions agreed upon by the parties. All items incorporated by reference are as though physically attached. No other agreements, oral or otherwise, regarding the subject matter of this Agreement, shall be deemed to exist or to bind any of the parties.
6. The Hospital shall obtain and possess throughout the term of this Agreement all licenses and permits applicable to their operations under federal, state and local laws, and shall comply with all fire, health and other applicable regulatory codes.
7. The Hospital agrees to cooperate with County in an annual review to ensure that all applicable County guidelines and requirements for fund recipients are being complied with.
8. The failure of either party to insist upon strict performance of any provision of this Agreement shall not be construed as a waiver of such provision on any subsequent occasion.
9. This Agreement shall be construed according to the provisions of Florida law. Venue for any legal or administrative action arising under this Agreement shall lie exclusively in St. Johns County.
10. If any portion of this Agreement is declared void, unconstitutional, or otherwise unenforceable for any reason, such portion shall be severable and shall not affect the remaining portions of this Agreement not having been declared void, unconstitutional, or otherwise unenforceable.
11. This Agreement may be executed in counterparts, each of which shall be deemed to be an original, and all of which together shall constitute the same agreement.

## **ARTICLE XII NOTICES**

All notices required under this Agreement shall be in writing and sent by registered or certified mail, postage prepaid, and return receipt requested, to the party to be notified at the address sent forth herein or at such other address as either party may from time to time designate in writing.

As to the Hospital:

Roger Carter, CFO  
Flagler Hospital  
400 Health Park Blvd.  
St. Augustine, Florida 32086

As to County:

Contracts Coordinator  
St. Johns County Health and Human Services  
200 San Sebastian View, Suite 2300  
St. Augustine, Florida 32084

and

Michael D. Wanchick

County Administrator  
St. Johns County  
500 San Sebastian View  
St. Augustine, FL 32084

**IN WITNESS WHEREOF**, the parties have executed this Agreement on the dates indicated below.

**ST. JOHNS COUNTY, FLORIDA**

By: \_\_\_\_\_  
Michael D. Wanchick  
County Administrator

Date: \_\_\_\_\_

**ATTEST:** Hunter S. Conrad  
Clerk of the Courts

**APPROVED AS TO LEGAL SUFFICIENCY:  
COUNTY ATTORNEY'S OFFICE**

By: \_\_\_\_\_  
Deputy Clerk

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**FLAGLER HOSPITAL, INC.**

By: \_\_\_\_\_

Title: \_\_\_\_\_

**ATTEST:**

Date: \_\_\_\_\_

By: \_\_\_\_\_

Date: \_\_\_\_\_

**EXHIBIT A**

**Quarterly Reporting Requirements**



**SJC QUARTERLY REPORTING REQUIREMENTS**

<b>HOSPITAL SERVICES:</b>	<b>A</b>	<b>B</b>	<b>C</b>
	<b>(c)</b>	<b>(a)</b>	<b>(b)</b>
<b>UNDUPLICATED COUNT OF INDIVIDUALS SERVED:</b>		<b>Medicaid</b>	<b>Uninsured / Underinsured</b>
1 Inpatient			
2 Outpatient			
3 Unduplicated (IP&OP Combined) Count			

<b>Types of Hospital services provided</b>		<b>Medicaid</b>	<b>Uninsured / Underinsured</b>
4 Hospital Discharges			
4a. Mental Health			
5 Case Mix Index			
6 Hospital Inpatient (Days)			
6a. Mental Health			
7 Emergency Care (encounters)			
	<b>Number of Outpatient ER visits All Payors:</b>		
7a	Level 1 (CPT 99281)		
7b	Level 2 (CPT 99282)		
7c	Level 3 (CPT 99283)		
7d	Level 4 (CPT 99284)		
7e	Level 5 (CPT 99285)		
7f	Trauma/Critical Care (CPT 99291)		
8 Hospital Outpatient (OP)* (encounters)			
8a. OP Surgical Visits		-	-
8b. IV Infusions			

**Federal Qualified Health Clinic / Community Outreach Clinic Support**

	<b>Medicaid</b>	<b>Uninsured / Underinsured</b>
Non-established patients referred for primary care follow-up and primary care assignment (outpatient/inpatient)		
# referred		
# appointed & treated		

**EXHIBIT B**  
**Letter of Agreement**

**Letter of Agreement**

THIS LETTER OF AGREEMENT (LOA) is made and entered into this \_\_\_\_\_ day of June, 2016, between St. Johns County (the County), a political subdivision of the state of Florida and Flagler Hospital, Inc. (Flagler), a not-for-profit hospital incorporated under the laws of the state of Florida.

The County has allocated \$470,000.00 in its fiscal year 2015-2016 budget for the purpose of providing health welfare programs for the County's residents. The County and Flagler have agreed that these funds will be used to support health services provided to the uninsured, underinsured, and Medicaid populations of the County. Flagler will perform services as defined in the Comprehensive Medical Services Agreement between the County and Flagler dated \_\_\_\_\_ (the Agreement). Additionally, the funds shall be used for the following:

- a) Establish care coordination program for eligible patients to deliberately integrate personnel, information, and other resources needed to carry out all required patient care activities between and among care participants (including the patient and informal caregivers) and to facilitate the appropriate and efficient delivery of health care services both within and across systems;
- b) Increase primary care physician assignment for patients discharged from emergency room with no primary care physician; and
- c) Improve access to financial assistance for uninsured and underinsured in compliance with Flagler's Charity Care Policy.

The County will pay Flagler an amount not to exceed \$470,000.00. The County will transfer payments to Flagler in the following manner:

- a) The first payment of \$235,000.00 covers the period between October 2015 and March 2016 and shall be paid upon acceptance of this LOA by both parties.
- b) One payment of \$117,500.00 shall be made no later than June 30, 2016; and
- c) The final payment of \$117,500.00 shall be made no later than September 30, 2016.

The term of this LOA shall be from October 1, 2015 through September 30, 2016. This LOA is subject to the provisions of the Agreement and shall automatically terminate upon termination of the Agreement.

This LOA may be executed in counterparts, each of which shall be deemed to be an original, and all of which together shall constitute the same agreement.

**IN WITNESS WHEREOF** the parties have duly executed this Letter of Agreement on the day and year above first written.

St. Johns County

Flagler Hospital, Inc.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

Name

Name

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Title

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Title