

RESOLUTION NO. 2019- 322

A RESOLUTION BY THE BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY, FLORIDA, APPROVING THE TERMS, PROVISIONS, CONDITIONS, AND REQUIREMENTS OF AN AGREEMENT BETWEEN THE BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY, AND THE STATE OF FLORIDA, AGENCY FOR HEALTHCARE ADMINISTRATION (AHCA), AND THE AGREEMENT BETWEEN ST. JOHNS COUNTY AND FLAGLER HOSPITAL AUTHORIZING THE COUNTY ADMINISTRATOR, OR DESIGNEE, TO EXECUTE THE AGREEMENT ON BEHALF OF THE COUNTY

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

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

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

WHEREAS, Flagler Hospital is a LIP hospital; and

WHEREAS, County and Flagler 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, County will remit IGT funds in an amount not to exceed \$456,815 in fiscal year 2019-2020; and

WHEREAS, County agrees that funding provided in the agreement shall be prioritized so that designated funds shall first be used to fund the Medicaid program (including LIP) and used secondarily for other purposes;

WHEREAS, County desires to contract with Flagler Hospital to provide program services as identified herein; 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 hereby 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 Letter of Agreement with the State of Florida, through its Agency for Health Care Administration, on behalf of the County.

Section 3. The Board of County Commissioners further authorizes the County Administrator, or his designee, to execute the attached agreement with Flagler Hospital on behalf of the County, subject to the execution of the Letter of Agreement.

Section 4. 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 17 day of September, 2019.

BOARD OF COUNTY COMMISSIONERS OF
ST. JOHNS COUNTY, FLORIDA

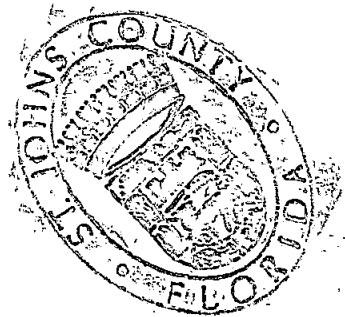
Attest: Hunter S. Conrad, Clerk

Pam Halterman
Deputy Clerk

By:

Paul M. Waldron
Paul M. Waldron, Chair

RENDITION DATE 9/23/19



Low Income Pool Letter of Agreement

THIS LETTER OF AGREEMENT (LOA) is made and entered into in duplicate on the _____ day of _____ 2019, by and between St. Johns County on behalf of Flagler Hospital and the State of Florida, **Agency for Health Care Administration** (the "**Agency**"), for good and valuable consideration, the receipt and sufficiency of which is acknowledged.

DEFINITIONS

"Charity care" or "uncompensated charity care" means that portion of hospital charges reported to the Agency for which there is no compensation, other than restricted or unrestricted revenues provided to a hospital by local governments or tax districts regardless of the method of payment. Uncompensated care includes charity care for the uninsured but does not include uncompensated care for insured individuals, bad debt, or Medicaid and Children's Health Insurance Program (CHIP) shortfall. The state and providers that are participating in Low Income Pool (LIP) will provide assurance that LIP claims include only costs associated with uncompensated care that is furnished through a charity care program and that adheres to the principles of the Healthcare Financial Management Association (HFMA) operated by the provider.

"Intergovernmental Transfers (IGTs)" means transfers of funds from a non-Medicaid governmental entity (e.g., counties, hospital taxing districts, providers operated by state or local government) to the Medicaid agency. IGTs must be considered a bona fide donation pursuant to 42 CFR § 433.54.

"Low Income Pool (LIP)" means providing government support for safety-net providers for the costs of uncompensated charity care for low-income individuals who are uninsured. Uncompensated care includes charity care for the uninsured but does not include uncompensated care for insured individuals, "bad debt," or Medicaid and CHIP shortfall.

"Medicaid" means the medical assistance program authorized by Title XIX of the Social Security Act, 42 U.S.C. §§ 1396 et seq., and regulations thereunder, as administered in Florida by the Agency.

A. GENERAL PROVISIONS

1. Per Senate Bill 2500, the General Appropriations Act of State Fiscal Year 2019-2020, passed by the 2019 Florida Legislature, the St Johns County and the Agency agree that the St Johns County will remit IGT funds to the Agency in an amount not to exceed the total of **\$456,815**.
 - a. The St Johns County and the Agency have agreed that these IGT funds will only be used to increase the provision of health services for the charity care of the St Johns County and the State of Florida at large.
 - b. The increased provision of charity care health services will be accomplished through the following Medicaid programs:

- i. LIP payments to hospitals, federally qualified health centers, Medical School Physician Practices, community behavioral health providers, and rural health centers pursuant to the approved Centers for Medicare & Medicaid Services Special Terms and Conditions.
2. The St Johns County will return the signed LOA to the Agency no later than October 1, 2019.
3. The St Johns County will pay IGT funds to the Agency in an amount not to exceed the total of **\$456,815**. The St Johns County will transfer payments to the Agency in the following manner:
 - a. Per Florida Statute 409.908, annual payments for the months of July 2019 through June 2020 are due to the Agency no later than October 31, 2019 unless an alternative plan is specifically approved by the agency.
 - b. The Agency will bill the St Johns County when payment is due.
4. The St Johns County and the Agency agree that the Agency will maintain necessary records and supporting documentation applicable to health services covered by this LOA.
 - a. Audits and Records
 - i. The St Johns County agrees to maintain books, records, and documents (including electronic storage media) pertinent to performance under this LOA in accordance with generally accepted accounting procedures and practices, which sufficiently and properly reflect all revenues and expenditures of funds provided.
 - ii. The St Johns County agrees to assure that these records shall be subject at all reasonable times to inspection, review, or audit by state personnel and other personnel duly authorized by the Agency, as well as by federal personnel.
 - iii. The St Johns County agrees to comply with public record laws as outlined in section 119.0701, Florida Statutes.
 - b. Retention of Records
 - i. The St Johns County agrees to retain all financial records, supporting documents, statistical records, and any other documents (including electronic storage media) pertinent to performance under this LOA for a period of six (6) years after termination of this LOA, or if an audit has been initiated and audit findings have not been resolved at the end of six (6) years, the records shall be retained until resolution of the audit findings.
 - ii. Persons duly authorized by the Agency and federal auditors shall have full access to and the right to examine any of said records and documents.

- iii. The rights of access in this section must not be limited to the required retention period but shall last as long as the records are retained.

c. Monitoring

- i. The St Johns County agrees to permit persons duly authorized by the Agency to inspect any records, papers, and documents of the St Johns County which are relevant to this LOA.

d. Assignment and Subcontracts

- i. The St Johns County agrees to neither assign the responsibility of this LOA to another party nor subcontract for any of the work contemplated under this LOA without prior written approval of the Agency. No such approval by the Agency of any assignment or subcontract shall be deemed in any event or in any manner to provide for the incurrence of any obligation of the Agency in addition to the total dollar amount agreed upon in this LOA. All such assignments or subcontracts shall be subject to the conditions of this LOA and to any conditions of approval that the Agency shall deem necessary.

5. This LOA may only be amended upon written agreement signed by both parties. The St Johns 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.
6. The St Johns County confirms that there are no pre-arranged agreements (contractual or otherwise) between the respective counties, taxing districts, and/or the providers to re-direct any portion of these aforementioned charity care supplemental payments in order to satisfy non-Medicaid, non-uninsured, and non-underinsured activities.
7. The St Johns County agrees the following provision shall be included in any agreements between the St Johns County and local providers where IGT funding is provided pursuant to this LOA: "Funding provided in this Agreement shall be prioritized so that designated IGT funding shall first be used to fund the Medicaid program (including LIP or DSH) and used secondarily for other purposes."
8. This LOA covers the period of July 1, 2019 through June 30, 2020 and shall be terminated June 30, 2020.
9. This LOA may be executed in multiple counterparts, each of which shall constitute an original, and each of which shall be fully binding on any party signing at least one counterpart.

LIP Local Intergovernmental Transfers (IGTs)

Program / Amount	State Fiscal Year 2019-2020
LIP Program	\$456,815
Total Funding	\$456,815

WITNESSETH:

IN WITNESS WHEREOF, the parties have caused this page Letter of Agreement to be executed by their undersigned officials as duly authorized.

St Johns County

**STATE OF FLORIDA, AGENCY FOR
HEALTH CARE ADMINISTRATION**

**SIGNED
BY:** _____

**SIGNED
BY:** _____

NAME: _____

NAME: _____

TITLE: _____

TITLE: _____

DATE: _____

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, Florida, (hereinafter referred to as "County") and Flagler Hospital ("The Hospital"), a Florida not-for-profit hospital, incorporated under the laws of the State of Florida.

RECITALS:

WHEREAS, Section 125.01(1)(e), Florida Statutes, authorizes St. Johns County (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, Flagler Hospital (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 \$456,815.00 in its fiscal year 2019-2020; and

WHEREAS, County agrees 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, inconsideration of the covenants herein contained, the parties hereby agree as follows:

ARTICLE I

SERVICES TO BE PERFORMED

Definitions: For purposes of the Agreement, the following definitions shall be used:

Inpatient Services - Services provided in an inpatient setting.

1. The Hospital shall provide inpatient care for medically indigent residents of St. Johns County.
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, may be considered a breach of this Agreement, and grounds for termination under Article V.
4. The Hospital shall use their 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 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; and
 - 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; and
 - 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, nor be eligible for any other program, public or private, that would provide for the payment of these 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. 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 County has allocated a maximum amount of \$456,815.00 in its fiscal year 2019-2020 budget for the Program. 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. Services to be provided to patients who meet the qualification requirements for Federal and/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, nor request payment, nor receive payment from any patient submitted to the County as eligible under this Agreement. The Hospital agrees that the payment made by 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 by the Program, or per this Agreement.

ARTICLE IV

TERMS OF AGREEMENT AND TERMINATION

1. The term of this Agreement shall be for a term of one year beginning on October 1, 2019, through September 30, 2020. The LIP program is subject to annual authorization by the State of Florida and shall be contingent upon Legislative continuation of the program.
2. Any 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, 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, by written notice of breach to the breaching party, terminate the whole or any part of the Agreement. Termination shall be upon no less than twenty-four (24) hours notice. 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. It is further agreed that in the event 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. 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. County shall consider the following 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 subcontract for the purchase by 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 they 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 their 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 property or the use of occupancy of the property by The Hospital or The Hospital members, guests and invitees.

ARTICLE VIII

INSURANCE AND INDEMNIFICATION

1. The Hospital shall be liable for the performance of or failure to perform their 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, Hospital shall file with 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 – 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. County shall be specifically included as an additional insured on the general liability policy.

C. The Hospital and all persons employed by them 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 themselves or for any other persons or entities for whom they are responsible, or to ensure that their 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 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.

ARTICLE IX

RECORDS

1. The Hospital agrees to establish and maintain orderly and complete books, records and documents (including electronic storage media) of their 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) after termination of the contract, or if an audit has been initiated or litigation commenced, which have 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, and/or a summary description of the total of all such services and charges rendered. For the convenience of The Hospital and to accommodate their internal billing and accounting mechanisms, similar billing data regarding physician services provided in furtherance of this Agreement may be separately and directly provided to third party payment company.
3. Access to Records. The access to, disclosure, non-disclosure, or exemption of records, data, documents, and/or materials associated with this Agreement/Contract 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 (insert name of other party) 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, and responsibilities noted in this Agreement. It is specifically noted that Flagler Hospital is under no duty to provide access to documentation

not related to this Agreement, and/or 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. There will be 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. Hospital shall comply with Title VI of the Civil Rights Act of 1964 (42 USC 2000d) In regard to persons served.
4. 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. 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, 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 make 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 hereto.

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.

ARTICLE XII

NOTICES

All notices required herein 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 Provider:

John Eaton
Flagler Hospital
400 Health Park Blvd.
St. Augustine, Florida 32086

As to County:

Shawna Novak, Health & Human Services Director
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

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: Hunter S. Conrad
Clerk of the Courts

By: _____
Deputy Clerk

Date: _____

**APPROVED AS TO FORM:
COUNTY ATTORNEY'S OFFICE**

By: _____

Title: _____

Date: _____

FLAGLER HOSPITAL, INC.

By: _____

Title: _____

Date: _____

ATTEST:

By: _____

Date: _____