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LEGISLATIVE ACTION

Senate

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House

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Senator Thrasher moved the following:

Senate Amendment (with title amendment)

Delete everything after the enacting clause
and insert:

Section 1. Section 1004.41, Florida Statutes, is amended to
read:

1004.41 University of Florida; J. Hillis Miller Health
Center.—

(1) There is established the J. Hillis Miller Health Center
at the University of Florida, including campuses at Gainesville
and Jacksonville and affiliated teaching hospitals, which shall
include the following colleges:

(a) College of Dentistry.



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- 14 (b) College of Public Health and Health Professions.
15 (c) College of Medicine.
16 (d) College of Nursing.
17 (e) College of Pharmacy.
18 (f) College of Veterinary Medicine and related teaching
19 hospitals.

20 (2) Each college of the health center shall be so
21 maintained and operated as to comply with the standards approved
22 by a nationally recognized association for accreditation.

23 (3) (a) The University of Florida Health Center Operations
24 and Maintenance Trust Fund shall be administered by the
25 University of Florida Board of Trustees. Funds shall be credited
26 to the trust fund from the sale of goods and services performed
27 by the University of Florida Veterinary Medicine Teaching
28 Hospital. The purpose of the trust fund is to support the
29 instruction, research, and service missions of the University of
30 Florida College of Veterinary Medicine.

31 (b) Notwithstanding the provisions of s. 216.301, and
32 pursuant to s. 216.351, any balance in the trust fund at the end
33 of any fiscal year shall remain in the trust fund and shall be
34 available for carrying out the purposes of the trust fund.

35 (4) (a) The University of Florida Board of Trustees shall
36 lease the hospital facilities of the health center known as ~~the~~
37 Shands Teaching Hospital and Clinics on the Gainesville campus
38 of the University of Florida and all furnishings, equipment, and
39 other chattels or choses in action used in the operation of
40 Shands Teaching Hospital and Clinics ~~the hospital,~~ to Shands
41 Teaching Hospital and Clinics, Inc., a private not-for-profit
42 corporation organized ~~solely~~ for the primary purpose of



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43 supporting the University of Florida Board of Trustees' health
44 affairs mission of community service and patient care, education
45 and training of health professionals, and clinical research. In
46 furtherance of that primary purpose, Shands Teaching Hospital
47 and Clinics, Inc., shall operate ~~operating~~ the hospital and
48 ancillary health care facilities as deemed ~~of the health center~~
49 ~~and other health care facilities and programs determined to be~~
50 necessary by the board of Shands Teaching Hospital and Clinics,
51 Inc. ~~the nonprofit corporation.~~ The rental for the hospital
52 facilities shall be an amount equal to the debt service on bonds
53 or revenue certificates issued solely for capital improvements
54 to the hospital facilities or as otherwise provided by law.

55 (b) The University of Florida Board of Trustees shall
56 provide in the lease or by separate contract or agreement with
57 Shands Teaching Hospital and Clinics, Inc., ~~the not-for-profit~~
58 ~~corporation~~ for the following:

59 1. Approval of the articles of incorporation of Shands
60 Teaching Hospital and Clinics, Inc., ~~the not-for-profit~~
61 ~~corporation~~ by the University of Florida Board of Trustees.

62 2. and the Governance of Shands Teaching Hospital and
63 Clinics, Inc., ~~the not-for-profit corporation~~ by a board of
64 directors appointed, subject to removal, and chaired by the
65 President of the University of Florida, or his or her designee,
66 and vice chaired by the Vice President for Health Affairs of the
67 University of Florida or his or her designee.

68 3.2. ~~The~~ Use of hospital facilities and personnel in
69 support of community service and patient care, ~~the~~ research
70 programs, ~~and of the teaching~~ roles ~~role~~ of the health center.

71 4.3. ~~The~~ Continued recognition of the collective bargaining



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72 units and collective bargaining agreements as currently composed
73 and recognition of the certified labor organizations
74 representing those units and agreements.

75 ~~5.4. The Use of hospital facilities and personnel in~~
76 ~~connection with research programs conducted by the health~~
77 ~~center.~~

78 ~~6.5. Reimbursement to Shands Teaching Hospital and Clinics,~~
79 ~~Inc., the hospital for indigent patients, state-mandated~~
80 ~~programs, underfunded state programs, and costs to Shands~~
81 ~~Teaching Hospital and Clinics, Inc., the hospital for support of~~
82 ~~the teaching and research programs of the health center. Such~~
83 ~~reimbursement shall be appropriated to either the health center~~
84 ~~or Shands Teaching Hospital and Clinics, Inc., the hospital each~~
85 ~~year by the Legislature after review and approval of the request~~
86 ~~for funds.~~

87 ~~7. Audit of the financial statements of Shands Teaching~~
88 ~~Hospital and Clinics, Inc., in accordance with generally~~
89 ~~accepted accounting principles as prescribed by the Governmental~~
90 ~~Accounting Standards Board for a separate corporation affiliated~~
91 ~~with a government entity that holds a voting majority interest~~
92 ~~of the affiliated corporation's governing board. The financial~~
93 ~~statements shall be provided to the University of Florida Board~~
94 ~~of Trustees for attachment to its audited financial statement~~
95 ~~which is provided to the Auditor General. The University of~~
96 ~~Florida may obtain additional financial information from Shands~~
97 ~~Teaching Hospital and Clinics, Inc., upon request by the Auditor~~
98 ~~General. This subparagraph applies equally to any not-for-profit~~
99 ~~subsidiary of Shands Teaching Hospitals and Clinics, Inc., which~~
100 ~~directly delivers health care services and also qualifies as an~~



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101 instrumentality of the state under the governance control and
102 the primary purpose standards specified in this section.

103 (c) The University of Florida Board of Trustees may, with
104 the approval of the Legislature, increase the hospital
105 facilities or remodel or renovate them ~~if, provided that~~ the
106 rental paid by Shands Teaching Hospital and Clinics, Inc., the
107 ~~hospital~~ for such new, remodeled, or renovated facilities is
108 sufficient to amortize the costs thereof over a reasonable
109 period of time or fund the debt service for any bonds or revenue
110 certificates issued to finance such improvements.

111 (d) The University of Florida Board of Trustees ~~may~~ is
112 ~~authorized to~~ provide to Shands Teaching Hospital and Clinics,
113 Inc., the not-for-profit corporation leasing the hospital
114 ~~facilities~~ and its not-for-profit subsidiaries and affiliates,
115 and any successor corporation that acts in support of the board
116 of trustees, comprehensive general liability insurance,
117 including professional liability, from a self-insurance trust
118 program established pursuant to s. 1004.24.

119 (e) Shands Teaching Hospital and Clinics, Inc., in support
120 of the health affairs mission of the University of Florida Board
121 of Trustees and with the board's prior approval, may create or
122 have created either for-profit or not-for-profit subsidiaries
123 and affiliates, or both. The University of Florida Board of
124 Trustees, which may act through the president of the university
125 or his or her designee, may control Shands Teaching Hospital and
126 Clinics, Inc. For purposes of sovereign immunity pursuant to s.
127 768.28(2), Shands Teaching Hospital and Clinics, Inc., and any
128 not-for-profit subsidiary which directly delivers health care
129 services and whose governing board is chaired by the president



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130 of the university or his or her designee and is controlled by
131 the University of Florida Board of Trustees, which may act
132 through the president of the university or his or her designee
133 and whose primary purpose is the support of the University of
134 Florida Board of Trustees' health affairs mission, shall be
135 conclusively deemed a corporation primarily acting as an
136 instrumentality of the state.

137 (f)(e) In the event that the lease of Shands Teaching
138 Hospital and Clinics ~~the hospital facilities~~ to Shands Teaching
139 Hospital and Clinics, Inc., ~~the not for profit corporation~~ is
140 terminated for any reason, the University of Florida Board of
141 Trustees shall resume management and operation of Shands
142 Teaching Hospital and Clinics ~~the hospital facilities~~. In such
143 event, the University of Florida Board of Trustees may use ~~is~~
144 ~~authorized to utilize~~ revenues generated from the operation of
145 Shands Teaching Hospital and Clinics ~~the hospital facilities~~ to
146 pay the costs and expenses of operating the hospital facility
147 for the remainder of the fiscal year in which such termination
148 occurs.

149 (5) (a) Shands Jacksonville Medical Center, Inc., and its
150 parent, Shands Jacksonville HealthCare, Inc., are private not-
151 for-profit corporations organized primarily to support the
152 health affairs mission of the University of Florida Board of
153 Trustees in community service and patient care, education and
154 training of health affairs professionals, and clinical research.
155 Shands Jacksonville Medical Center, Inc., is a teaching hospital
156 affiliated with the University of Florida Board of Trustees and
157 is located, in part, on the Jacksonville Campus of the
158 University of Florida. Shands Jacksonville Medical Center, Inc.,



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159 and Shands Jacksonville HealthCare, Inc., in support of the
160 health affairs mission of the University of Florida Board of
161 Trustees and with its prior approval, may create or have created
162 either for-profit or not-for-profit subsidiaries or affiliates,
163 or both.

164 (b) The University of Florida Board of Trustees shall
165 provide in the lease or by separate contract or agreement with
166 Shands Jacksonville Medical Center, Inc., and Shands
167 Jacksonville HealthCare, Inc., for the following:

168 1. Approval of the articles of incorporation of Shands
169 Jacksonville Medical Center, Inc., and of Shands Jacksonville
170 HealthCare, Inc., by the University of Florida Board of
171 Trustees, which may act through the president of the university
172 or his or her designee. In approving the articles of
173 incorporation of Shands Jacksonville Medical Center, Inc., and
174 of Shands Jacksonville HealthCare, Inc., the president of the
175 university, or his or her designee, may act as the chair of the
176 board of directors, or the president of the university or his or
177 her designee or members of the University of Florida Board of
178 Trustees may act as the approving body of Shands Jacksonville
179 Medical Center, Inc., or Shands Jacksonville HealthCare, Inc.

180 2. Governance of Shands Jacksonville Medical Center, Inc.,
181 and of Shands Jacksonville HealthCare, Inc., by boards of
182 directors appointed, subject to removal, and chaired by the
183 President of the University of Florida, or his or her designee.
184 One director of each board may be so appointed after being
185 nominated by the mayor of the City of Jacksonville subject to
186 the applicable standards for directors of such board. If there
187 is a vice chair of the board of directors of Shands Jacksonville



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188 Medical Center, Inc., or Shands Jacksonville HealthCare, Inc.,
189 the Vice President for Health Affairs of the University of
190 Florida, or his or her designee or the designee of the president
191 of the university, shall hold that position.

192 3. Use of the Shands Jacksonville Medical Center, Inc.,
193 hospital facilities and personnel in support of community
194 service and patient care, research programs, and the teaching
195 roles of the health center of the University of Florida Board of
196 Trustees.

197 4. Reimbursement to Shands Jacksonville Medical Center,
198 Inc., for indigent patients, state-mandated programs,
199 underfunded state programs, and costs to the not-for-profit
200 corporation for support of the teaching and research programs of
201 the health center. Such reimbursement shall be appropriated to
202 either the health center or the not-for-profit corporation each
203 year by the Legislature after review and approval of the request
204 for funds.

205 5. Audit of the financial statements of Shands Jacksonville
206 Medical Center, Inc., and Shands Jacksonville HealthCare, Inc.,
207 in accordance with generally accepted accounting principles as
208 prescribed by the Governmental Accounting Standards Board for a
209 separate corporation affiliated with a government entity that
210 holds a voting majority interest of the affiliated corporation's
211 governing board. The financial statements shall be provided to
212 the University of Florida Board of Trustees for attachment to
213 its audited financial statement which is provided to the Auditor
214 General. The University of Florida may obtain additional
215 financial information from Shands Jacksonville Medical Center,
216 Inc., and Shands Jacksonville HealthCare, Inc., upon request by



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217 the Auditor General. This subparagraph applies equally to any
218 not-for-profit subsidiary which directly delivers health care
219 services and also qualifies as an instrumentality of the state
220 under the governance control and primary purpose standards
221 specified in this section.

222 (c) The University of Florida Board of Trustees, which may
223 act through the president of the university or his or her
224 designee, may control Shands Jacksonville Medical Center, Inc.,
225 and Shands Jacksonville HealthCare, Inc.

226 (d) For purposes of sovereign immunity pursuant to s.
227 768.28(2), Shands Jacksonville Medical Center, Inc., Shands
228 Jacksonville HealthCare, Inc., and any not-for-profit subsidiary
229 which directly delivers health care services and whose governing
230 board is chaired by the President of the University of Florida
231 or his or her designee and is controlled by the University of
232 Florida Board of Trustees, which may act through the president
233 of the university or his or designee and whose primary purpose
234 is the support of the University of Florida Board of Trustees'
235 health affairs mission, shall be conclusively deemed
236 corporations primarily acting as instrumentalities of the state.

237 (e) ~~(f)~~ The University of Florida Board of Trustees may ~~is~~
238 authorized to provide to Shands Jacksonville HealthCare, Inc.,
239 and Shands Jacksonville Medical Center, Inc., and any of their
240 ~~its~~ not-for-profit subsidiaries and affiliates and any successor
241 corporation that acts in support of the board of trustees,
242 comprehensive general liability coverage, including professional
243 liability, from the self-insurance programs established pursuant
244 to s. 1004.24.

245 Section 2. This act shall take effect July 1, 2011, and



246 shall apply to causes of action accruing on or after July 1,
247 2011.

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249

250 ===== T I T L E A M E N D M E N T =====

251 And the title is amended as follows:

252 Delete everything before the enacting clause
253 and insert:

254 A bill to be entitled
255 An act relating to the University of Florida J. Hillis
256 Miller Health Center; amending s. 1004.41, F.S.;
257 correcting the name of one of the health center's
258 colleges; specifying that the University of Florida
259 Board of Trustees shall lease Shands Teaching Hospital
260 and Clinics on the Gainesville campus to Shands
261 Teaching Hospital and Clinics, Inc.; specifying the
262 primary purpose of Shands Teaching Hospital and
263 Clinics, Inc.; providing requirements for lease,
264 contract, or agreement between the University of
265 Florida Board of Trustees and Shands Teaching Hospital
266 and Clinics, Inc.; authorizing the creation of
267 corporate subsidiaries and affiliates; providing the
268 right of control; providing for sovereign immunity;
269 providing that Shands Jacksonville Medical Center,
270 Inc., and its parent, Shands Jacksonville HealthCare,
271 Inc., are private not-for-profit corporations
272 organized primarily to support the health affairs
273 mission of the University of Florida Board of
274 Trustees; authorizing the creation of corporate



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275 subsidiaries and affiliates; providing requirements
276 for lease, contract, or agreement between the
277 University of Florida Board of Trustees and the
278 corporations; providing the right of control;
279 providing for sovereign immunity; providing for
280 application; providing an effective date.