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LEGISLATIVE ACTION

Senate

House

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Floor: WD

03/06/2012 09:30 AM

Senator Hays moved the following:

Senate Amendment (with title amendment)

Delete everything after the enacting clause
and insert:

Section 1. This act constitutes the codification of all special acts relating to the North Lake County Hospital District. It is the intent of the Legislature in enacting this law to provide a single, comprehensive special act charter for the district, including all current authority granted to the district by its several legislative enactments and any additional authority granted by this act.

Section 2. Chapters 2002-348 and 2004-460, Laws of Florida, relating to the North Lake County Hospital District, are



14 codified, reenacted, and amended as provided in this act.

15 Section 3. The North Lake County Hospital District is re-
16 created; the charter is re-created, amended, and reenacted; and
17 chapters 2002-348 and 2004-460, Laws of Florida, are amended to
18 read:

19 Section 1. ESTABLISHMENT OF DISTRICT; BOUNDARIES.—

20 A. This act may be cited as the "North Lake County Hospital
21 District Act."

22 B. There is created and established as an independent
23 special taxing district of the state a hospital district in Lake
24 County to be known as the "North Lake County Hospital District,"
25 which shall comprise and include the territory within Lake
26 County described as follows:

27
28 Beginning at the range line dividing ranges 26 and 27
29 east at its intersection with the township line
30 separating townships 20 and 21 south of the
31 Tallahassee meridian; thence north on said range line
32 to the township line dividing townships 19 and 20
33 south; thence east on said township line to the Wekiva
34 River; thence north along the thread of the said
35 Wekiva River to the St. Johns River; thence in a
36 northerly and northwesterly direction through the
37 thread of the St. Johns River to the southwest shore
38 of Lake George; thence north along the west shore of
39 Lake George to the range line dividing ranges 26 and
40 27 east; thence south on said range line to the
41 township line dividing townships 17 and 18 south;
42 thence west on said township line to the northeast



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43 corner of section 1, township 18 south, range 25 east;
44 thence run south along the east range line for range
45 25 to the southeast corner of section 36, township 18
46 south, range 25 east; thence run east along the North
47 boundary of section 6, township 19 south, range 26
48 east, to the waters of Lake Eustis; thence
49 southwesterly along the waters of Lake Eustis to the
50 center of the mouth of Dead River; thence
51 southwesterly along the center of Dead River to an
52 extension of the west boundary of section 24, township
53 19 south, range 25 east, extended south into Lake
54 Harris; thence run southwesterly across Lake Harris to
55 the intersection of the eastern boundary of section
56 12, township 20 south, range 24 east, with the waters
57 of Lake Harris; thence run southeasterly and
58 south/southeasterly along the shoreline of Lake Harris
59 and Little Lake Harris to the south boundary line of
60 section 24, township 20 south, range 25 east; thence
61 run west to the northwest corner of section 27,
62 township 20 south, range 25 east; thence run south to
63 the southwest corner of section 34, township 20 south,
64 range 25 east; thence run east along the township line
65 separating townships 20 and 21 south, to the
66 Tallahassee Meridian to the point of beginning
67 (hereinafter the "Northeast Territory").

68
69 and

70
71 Begin at the northwest (NW) corner of section 6, in



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72 township 18 south, range 24 east, and run east along
73 the north township line of township 18 south, to the
74 northeast corner of section 1, township 18 south,
75 range 25 east; thence run south along the east range
76 line of range 25 to the southeast corner of section
77 36, township 18 south, range 25 east; thence run east
78 along the north boundary of section 6, township 29
79 south, range 26 east, to the waters of Lake Eustis;
80 thence southwesterly along the waters of Lake Eustis
81 to the center of the mouth of Dead River; thence
82 southwesterly along the center of Dead River to an
83 extension of the west boundary of section 24, township
84 19 south, range 25 east, extended south into Lake
85 Harris; thence run southwesterly across Lake Harris to
86 the point that the eastern boundary of section 12,
87 township 20 south, range 24 east intersects with the
88 waters of Lake Harris; thence run in a general
89 southeasterly direction along the waters of Lake
90 Harris to the point that the southern boundary of
91 section 24, township 20 south, range 25 east, and the
92 waters of Lake Harris intersect; thence run west along
93 the south boundary of sections 24, 23, and 22,
94 township 20 south, range 25 east, to the southwest
95 (SW) corner of said section 22, township 20 south,
96 range 25 east; thence run south along the west
97 boundary of sections 27 and 34, township 20 south,
98 range 25 east to the southwest (SW) corner of section
99 34, township 20 south, range 25 east; thence run west
100 along the south line of said township 20 to western



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101 boundary of Lake County, and west boundary of range 24
102 east; thence north along the west boundary of said
103 range 24 to the point of beginning (hereinafter the
104 "Northwest Territory").

105 Section 2. DEFINITIONS.—As used in this act and for
106 purposes of this act, the term:

107 A. "Board of trustees" and "board" mean the Board of
108 Trustees of the North Lake County Hospital District.

109 B. "District" means the North Lake County Hospital
110 District.

111 C. "Indigent care" means medically necessary health care
112 provided to residents of the North Lake County Hospital District
113 who are determined to be qualified pursuant to the provisions of
114 the Florida Health Care Responsibility Act, section 154.304(9),
115 Florida Statutes, and the Florida Health Care Indigency
116 Eligibility Certification Standards, Florida Administrative
117 Code, rule 59H-1.0035(30).

118 D. "Provider" means a licensed hospital or primary care
119 clinic physically located in the district.

120 Section 3. PUBLIC PURPOSE OF THE DISTRICT.—The public
121 purpose of the district is to provide a means to pay for
122 indigent care provided in accordance with this act. Indigent
123 care may be provided to residents of the district in accordance
124 with this act through the use of health care facilities not
125 owned and operated by the board of trustees. The provision of
126 such indigent care is found and declared to be a public purpose
127 and necessary for the preservation of the public health of the
128 residents of the district.

129 Section 4. MEMBERSHIP AND ORGANIZATION OF THE GOVERNING



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130 BOARD OF THE DISTRICT.-

131 A. General.-

132 1. The district shall be governed by a board of trustees
133 composed of six persons to be elected by the electors residing
134 within the district in a general election. The trustees
135 currently serving on the board shall continue in their capacity
136 to the completion of their terms. The term of office of each
137 trustee shall be 4 years and a trustee may not serve more than
138 two terms for a maximum of 8 years. The term of office shall
139 expire on the date of the general election held 4 years after
140 the date on which that trustee was elected. All elections for
141 the office of trustee shall be conducted in the same manner as
142 elections for county commissioners.

143 2. The members of the board of trustees shall serve without
144 pay. Each member shall give a bond to the Board of County
145 Commissioners of Lake County and its successors in office for
146 the use and benefit of the district for the faithful performance
147 of his or her duties in the sum of \$1,000 with a surety company
148 qualified to do business in this state as surety, which bond
149 shall be approved and accepted by the Clerk of the Circuit Court
150 of Lake County. The premiums on such bond shall be paid by the
151 district as part of the expenses of the district.

152 3. Four of the trustees shall constitute a quorum, and a
153 vote of at least four of the trustees is necessary for the
154 transaction of any business of the district. The board of
155 trustees may select from among its membership a chair, vice
156 chair, secretary, and treasurer. The board of trustees shall
157 cause true and accurate minutes and records to be kept of all
158 business transacted by them and shall keep full, true, and



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159 complete books of account and minutes, which minutes and books
160 shall be open and subject to the inspection of the residents of
161 the district at all reasonable times during normal business
162 hours. Any person desiring to do so may obtain a copy of the
163 minutes and books of account or such portions thereof as he or
164 she may desire upon payment of the costs of reproduction.

165 B. Election of the board of trustees.-

166 1. Registration of electors.-Any person who is a resident
167 of the district, at least 18 years of age, and registered with
168 the Supervisor of Elections for Lake County is eligible to vote
169 for the election of members of the board of trustees.

170 2. Qualifications of candidate.-All trustees must be duly
171 qualified electors who reside in the district. Three trustees
172 must reside in the Northeast Territory and three trustees must
173 reside in the Northwest Territory. Beginning with the general
174 election in 2014 and in each general election thereafter, a
175 person is not eligible to seek election to the board of trustees
176 if that person served, within the previous 4 years before the
177 election, as an officer or member of a board of directors of a
178 hospital physically located in the district, a parent
179 corporation of such a hospital, or a foundation of such a
180 hospital.

181 3. Vacancies.-Vacant trustee seats shall be filled through
182 appointment by the Governor; appointees shall serve until the
183 expiration of the term for which they are appointed.

184 C. Annual meeting.-The annual meeting shall be held before
185 January 31 of each year at such time and place within the
186 district as is determined by the board of trustees. Notice of
187 the date, time, and place of the annual meeting shall be



188 published online on a publicly accessible website maintained by
189 the district and in a daily newspaper of general circulation, in
190 a section other than the legal ad or classified ad sections, in
191 the district once per week for 2 consecutive weeks. The date of
192 the first publication of such notice must be at least 15, and
193 not more than 30, days before the annual meeting. The agenda at
194 the annual meeting of the board of trustees shall include, but
195 is not limited to:

- 196 1. Call to order.
197 2. Presentation and approval of minutes of the last annual
198 meeting and of any special meeting held since that meeting.
199 3. Financial report.
200 4. Presentation of the annual report of the board of
201 trustees.
202 5. Transaction of any business that may properly be brought
203 before the board.
204 6. Election of officers of the board of trustees.

205 D. Special meetings.—Special meetings of the board of
206 trustees may be called at any time by the chair or upon the
207 written request of four members of the board of trustees.
208 Notices of special meetings of the board of trustees shall be
209 published online on a publicly accessible website maintained by
210 the district and by publication in a daily newspaper of general
211 circulation in the district at least 7 days before such meeting,
212 stating the date and place and general matters of the business
213 to be considered.

214 E. Removal of members from the board of trustees.—Any
215 member of the board of trustees may be removed by the Governor
216 at any time, for cause, in which event such vacancy or vacancies



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217 thereby occurring shall be filled through appointment by the
218 Governor for the unexpired term.

219 Section 5. POWERS, FUNCTIONS, AND DUTIES.—

220 A. General powers.—The district may:

221 1. Adopt an official seal and alter it at pleasure.

222 2. Maintain an office within the district's geographical
223 territory at a place it may designate.

224 3. Sue and be sued in its own name and plead and be
225 impleaded, but with all sovereign immunity and limitations
226 provided by the State Constitution and general law.

227 4. Make and execute agreements of lease, contracts, and
228 other instruments necessary in the exercise of its powers and
229 functions under this act.

230 5. Lease as lessor or lessee to or from any person, firm,
231 corporation, association, or body, public or private, any
232 facilities or property for the use of the district to carry out
233 the purpose of the district in its reasonable judgment.

234 6. Employ attorneys, accountants, and such other employees
235 and agents as may be necessary, in its reasonable judgment, to
236 carry out the purpose of the district, and fix their reasonable
237 compensation.

238 7. Levy an ad valorem tax in the district not to exceed 1
239 mill on the dollar of the value of all nonexempt property within
240 that area of Lake County which comprises the district. Such tax
241 shall be paid into the district fund.

242 8. Cooperate with, apply for and receive grants from, or
243 contract with other governmental agencies or private individuals
244 or entities as may be necessary, convenient, or proper in
245 connection with any of the powers and duties authorized by this



246 act and to carry out the public purpose of the district in its
247 reasonable judgment.

248 9. Adopt and promulgate policies, rules, and procedures for
249 the efficient and effective operation of the district and to
250 ensure the proper implementation of this act.

251 10. Do all things necessary to carry out the purpose of the
252 district and to ensure the proper implementation of this act.

253 B. Collection of taxes.—It is the duty of the Property
254 Appraiser of Lake County to assess, and the Tax Collector of
255 Lake County to collect, the ad valorem tax levied by the board
256 of trustees upon the taxable property in the district. The tax
257 collector shall collect such tax as levied by the board of
258 trustees in the same manner as other taxes are collected and
259 shall pay the same over to the board of trustees within the time
260 and in the manner prescribed by law for the payment of the Tax
261 Collector of Lake County taxes to the county depository. It is
262 the duty of the Department of Revenue to assess all such
263 property in accordance with section 193.085, Florida Statutes.
264 The amount of each county or state taxes and the taxes for the
265 district shall be assessed by the officer respectively as are
266 county taxes upon such property, and such tax shall be remitted
267 by the collecting officer to the board of trustees. All such
268 taxes shall be held by the board of trustees and paid out by
269 them for purposes of this act.

270 C. Liens and foreclosures.—Liens and foreclosure of liens
271 resulting from failure to pay ad valorem taxation shall be
272 treated as liens and foreclosures resulting from other ad
273 valorem taxes.

274 Section 6. PERMITTED USES OF TAX FUNDS.—Consistent with the



275 public purpose of the district, the use of funds received
276 through the district's taxing power and any interest thereon may
277 be used:

278 A. For reasonable expenses incurred by the district to
279 administer and enforce this act, including the use of private
280 vendors.

281 B. To pay for indigent care provided by licensed hospitals
282 physically located in the district according to policies and
283 procedures adopted by the board of trustees pursuant to and
284 consistent with this act.

285 C. To pay for indigent care provided by licensed primary
286 care clinics physically located in the district that are
287 approved by the board of trustees, if the care does not overlap
288 or duplicate care available through other public health clinics
289 physically located in the district and serving medically
290 indigent residents of the district.

291 D. To maximize public or private grant or matching funds
292 available for indigent care, including, but not limited to,
293 Medicaid Supplemental Hospital Funding Programs, the Low-Income
294 Pool Program, the Disproportionate Share Hospital Program, and
295 similar programs.

296 E. To contract with the Lake County Board of County
297 Commissioners for services performed for the district by
298 personnel employed by the county, as well as logistical and
299 technical support, to carry out, in its reasonable judgment, the
300 purpose of the district.

301 F. To lower the millage rate in succeeding years.

302 Section 7. RESTRICTIONS.—

303 A. The district board may not issue bonds, raise tax



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304 revenue from any other source, or impose non-ad valorem
305 assessments.

306 B. Funds received through the district's taxing power and
307 any interest thereon may not be used:

308 1. To compensate for a provider's inability to collect
309 debts arising from serving persons who are not eligible for
310 indigent care under this act.

311 2. To cover shortfalls or deficiencies in the amounts paid
312 by Medicare or private insurance from patients who are not
313 eligible for indigent care under this act.

314 3. To compensate for normal business overhead or expenses.

315 4. For capital expenditures incurred by or for a provider.

316 5. For indigent care based on assumptions, models, studies,
317 or expert analyses or opinions.

318 6. For indigent care in excess of the actual cost of
319 providing such care; however, the payment for indigent care
320 provided may not exceed the amount payable by the Medicare
321 program for identical or substantially similar care in the
322 territory of the district.

323 Section 8. FISCAL RESPONSIBILITY, TRANSPARENCY, AND
324 ACCOUNTABILITY.—

325 A. The board of trustees shall annually determine and
326 approve a balanced district budget and millage in accordance
327 with chapter 200, Florida Statutes, this act, and generally
328 accepted accounting principles.

329 B. At least once each year, the board of trustees shall
330 post online on a publicly accessible website maintained by the
331 district and publish once in a daily newspaper of general
332 circulation in the district a complete detailed statement of all



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333 moneys received and disbursed by it since the creation of the
334 district as to the first published statement and since the last
335 published statement as to any other year. The statement must
336 include the sources from which the funds were received, the
337 balance on hand at the time of the published statement, and a
338 complete statement of the financial condition of the district.

339 C. Any provider receiving funds from the district is
340 subject to an audit of its records relative to the patients for
341 whom payment is sought in order to ensure compliance with this
342 act. All auditors must contractually agree to comply with
343 applicable patient confidentiality rules, including the Health
344 Insurance Portability and Accountability Act of 1996 (HIPAA;
345 Pub. L. No. 104-191, 110 Stat. 1936) and rules implementing that
346 act.

347 D. The district must conduct financial integrity and
348 compliance audits of providers receiving payments in any one
349 fiscal year in excess of 10 percent of the district's tax
350 revenue in that year, and may initiate other audits of any
351 provider at any time, to ensure compliance with this act and to
352 provide transparency and accountability to the taxpayers. All
353 audit reports become public records upon acceptance by the board
354 of trustees. If, upon completion of an audit, it is determined
355 that payment was made by the district that was not in compliance
356 with this act, a rebuttable presumption is created that the
357 district is entitled to a recoupment of the amounts in question.
358 Notice to the provider and an opportunity to go forward with
359 evidence rebutting the presumption in an informal setting shall
360 be provided. Pending any judicial determination, the district
361 may set off the amounts in question against any other amounts



362 owed or to be owed to the provider. If informal resolution
363 cannot be reached between the parties, a formal mediation
364 conference is required and is a condition precedent to the
365 filing of a lawsuit. Venue for any legal proceedings is in the
366 Circuit Court of Lake County.

367 E. The board of trustees shall adopt and promulgate
368 eligibility verification criteria and procedures designed to
369 ensure that all recipients of indigent care for which payment is
370 sought under this act are qualified by the provider as medically
371 indigent persons and residents of the district.

372 F. Any indigent care for which payment is requested in
373 whole or in part from the district must be certified by the
374 provider as medically necessary.

375 G. A provider requesting payment under this act must
376 certify, under penalty of perjury, that the eligibility
377 verification procedures adopted by the board of trustees have
378 been complied with and that he or she, in good faith, believes
379 that the person is qualified to receive indigent care under this
380 act.

381 H. If estimated payments are made to a provider eligible to
382 receive payment from the district, to ensure public oversight,
383 accountability, and public benefit, the hospital or clinic shall
384 maintain such funds in a separate accounting fund and document
385 each payment or draw down from that account so that a complete
386 audit record is established. The separate account and all direct
387 support documentation that is part of the audit record is
388 subject to disclosure as provided in chapter 119, Florida
389 Statutes.

390 I. Annual financial statements.-All hospitals receiving any



391 payments from the district in a given fiscal year, and their
392 parent corporations and foundations, shall each file annual
393 audited financial statements with the district.

394 J. The board of trustees shall timely provide to each
395 member of the Lake County Legislative Delegation:

396 1. All financial statements and reports of the district.

397 2. All audit reports of the district and of all providers
398 that are the subjects of audits initiated by the district.

399 3. By January 31 of each year, an annual report for the
400 previous fiscal year providing a detailed review of the
401 performance of the district containing actual data and analyses
402 of patients served, the names and types of providers used, the
403 ratio of administrative to direct patient expenditures, problems
404 encountered, and recommendations for improvement, including
405 proposed legislative changes to this act.

406 Section 9. FINANCIAL DISCLOSURE AND NOTICE.—

407 A. Members of the board of trustees are subject to the
408 financial disclosure requirements provided in general law.

409 B. Except as otherwise expressly required in this act, the
410 board of trustees is subject to the reporting, notice, and
411 public meetings requirements of sections 189.415, 189.417, and
412 189.418, Florida Statutes. All meeting and workshop notices and
413 minutes of meetings and workshops shall be posted online on a
414 publicly accessible website maintained by the district.

415 Section 10. AMENDMENTS TO THE CHARTER.—This act may not be
416 amended except by action of the Legislature.

417 Section 11. SOVEREIGN IMMUNITY.—For purposes of sovereign
418 immunity pursuant to section 768.28(2), Florida Statutes, any
419 primary care clinic physically located in the district the main



420 purpose of which is to provide indigent care and which directly
421 delivers that care for compensation from the district as
422 provided in this act, and any health care provider who
423 volunteers his or her services to the primary care clinics to
424 provide indigent care without receiving personal financial
425 compensation, shall be conclusively deemed to be primarily
426 acting as an instrumentality of the state.

427 Section 12. COMPREHENSIVE PLANNING.—Except as may otherwise
428 be required by general law, comprehensive planning is not
429 required by this act.

430 Section 13. ESTABLISHMENT AND DISSOLUTION OF THE DISTRICT.—
431 The district, established pursuant to section 189.4042, Florida
432 Statutes, is reestablished by this act as a special district
433 under chapter 189, Florida Statutes. The district may be
434 dissolved by action of the Legislature.

435 Section 14. DURATION AND CONTINUATION.—The district expires
436 and shall be dissolved at the end of its fiscal year in 2017
437 without further action by the Legislature. However, the district
438 may be continued at the end of that period for 10 years if in
439 the general election in 2016 a majority of the electors voting
440 in a referendum called for that purpose approve its
441 continuation. The district is subject to a continuation vote in
442 like manner every 10 years thereafter. If the district is
443 dissolved without further action by the Legislature as provided
444 in this act, all property owned by the district is transferred
445 to, and all indebtedness of the district is assumed by, the Lake
446 County Board of County Commissioners effective upon such
447 dissolution.

448 Section 15. REFERENDUM.—The Board of County Commissioners



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449 of Lake County shall call, and the Supervisor of Elections of
450 Lake County shall conduct, in conjunction with the general
451 election to be held on November 8, 2016, or such other general
452 election date as provided by general law, a referendum of the
453 electors who reside in the district as follows:

454
455 CONTINUATION OF THE NORTH LAKE COUNTY HOSPITAL DISTRICT

456
457 Shall the independent special district known as the
458 North Lake County Hospital District and its authority
459 levy each year an ad valorem tax not to exceed 1 mill
460 to fund indigent care to qualified residents of the
461 district and be approved and continued for another 10
462 years?

463
464 Yes

465
466 No

467
468 Section 4. This act shall take effect upon becoming a law.

469
470 ===== T I T L E A M E N D M E N T =====

471 And the title is amended as follows:

472 Delete everything before the enacting clause
473 and insert:

474 A bill to be entitled
475 An act relating to the North Lake County Hospital
476 District, Lake County; codifying special laws relating
477 to the district; providing legislative intent;



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478 amending, codifying, and reenacting chapters 2002-348
479 and 2004-460, Laws of Florida, relating to the
480 district; amending, re-creating, and reenacting the
481 charter; providing definitions; providing a public
482 purpose; prohibiting a person from seeking election to
483 the board of trustees if the person has previously
484 served on the board of directors of certain entities
485 within a specified time; requiring publication of the
486 annual meeting notice on a publicly accessible
487 website; providing general powers of the district,
488 including the power to levy an ad valorem tax not to
489 exceed a specified millage; establishing permitted
490 uses of tax funds; providing restrictions on the
491 district board's activities; prescribing requirements
492 of the board for fiscal responsibility, transparency,
493 and accountability; providing financial disclosure
494 requirements and reporting, notice, and public meeting
495 provisions for the board; providing for sovereign
496 immunity; providing for expiration of the district at
497 a specified time without further legislative action
498 and permitting continuation of the district by
499 referendum at the end of 10-year intervals; providing
500 for a referendum; providing an effective date.