

1                   A bill to be entitled  
2           An act relating to the North Lake County Hospital  
3           District, Lake County; codifying special laws relating  
4           to the district; providing legislative intent;  
5           amending, codifying, reenacting, and repealing  
6           chapters 2002-348 and 2004-460, Laws of Florida,  
7           relating to the district; re-creating the district and  
8           re-creating and reenacting the charter; providing  
9           definitions; providing a public purpose; prohibiting a  
10          person from seeking election to the board of trustees  
11          if the person has previously served on the board of  
12          directors of certain entities within a specified time;  
13          requiring publication of the annual meeting notice on  
14          a publicly accessible website; providing general  
15          powers of the district, including the power to levy an  
16          ad valorem tax not to exceed a specified millage;  
17          establishing permitted uses of tax funds; providing  
18          restrictions on the district board's activities;  
19          prescribing requirements of the board for fiscal  
20          responsibility, transparency, and accountability;  
21          providing financial disclosure requirements and  
22          reporting, notice, and public meeting provisions for  
23          the board; providing for sovereign immunity; providing  
24          for expiration of the district at a specified time  
25          without further legislative action and permitting  
26          continuation of the district by referendum at the end  
27          of 10-year intervals; providing for a referendum;  
28          providing an effective date.

29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42  
43  
44  
45  
46  
47  
48  
49  
50  
51  
52  
53  
54  
55  
56

Be It Enacted by the Legislature of the State of Florida:

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 codified, reenacted, amended, and repealed as provided in this act.

Section 3. The North Lake County Hospital District is re-created, and the charter is re-created and reenacted to read:

Section 1. ESTABLISHMENT OF DISTRICT; BOUNDARIES.—

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

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

Beginning at the range line dividing ranges 26 and 27 east at its intersection with the township line separating townships 20 and 21 south of the

57 Tallahassee meridian; thence north on said range line  
58 to the township line dividing townships 19 and 20  
59 south; thence east on said township line to the Wekiva  
60 River; thence north along the thread of the said  
61 Wekiva River to the St. Johns River; thence in a  
62 northerly and northwesterly direction through the  
63 thread of the St. Johns River to the southwest shore  
64 of Lake George; thence north along the west shore of  
65 Lake George to the range line dividing ranges 26 and  
66 27 east; thence south on said range line to the  
67 township line dividing townships 17 and 18 south;  
68 thence west on said township line to the northeast  
69 corner of section 1, township 18 south, range 25 east;  
70 thence run south along the east range line for range  
71 25 to the southeast corner of section 36, township 18  
72 south, range 25 east; thence run east along the North  
73 boundary of section 6, township 19 south, range 26  
74 east, to the waters of Lake Eustis; thence  
75 southwesterly along the waters of Lake Eustis to the  
76 center of the mouth of Dead River; thence  
77 southwesterly along the center of Dead River to an  
78 extension of the west boundary of section 24, township  
79 19 south, range 25 east, extended south into Lake  
80 Harris; thence run southwesterly across Lake Harris to  
81 the intersection of the eastern boundary of section  
82 12, township 20 south, range 24 east, with the waters  
83 of Lake Harris; thence run southeasterly and  
84 south/southeasterly along the shoreline of Lake Harris

85 and Little Lake Harris to the south boundary line of  
86 section 24, township 20 south, range 25 east; thence  
87 run west to the northwest corner of section 27,  
88 township 20 south, range 25 east; thence run south to  
89 the southwest corner of section 34, township 20 south,  
90 range 25 east; thence run east along the township line  
91 separating townships 20 and 21 south, to the  
92 Tallahassee Meridian to the point of beginning  
93 (hereinafter the "Northeast Territory").

94  
95 and

96  
97 Begin at the northwest (NW) corner of section 6, in  
98 township 18 south, range 24 east, and run east along  
99 the north township line of township 18 south, to the  
100 northeast corner of section 1, township 18 south,  
101 range 25 east; thence run south along the east range  
102 line of range 25 to the southeast corner of section  
103 36, township 18 south, range 25 east; thence run east  
104 along the north boundary of section 6, township 29  
105 south, range 26 east, to the waters of Lake Eustis;  
106 thence southwesterly along the waters of Lake Eustis  
107 to the center of the mouth of Dead River; thence  
108 southwesterly along the center of Dead River to an  
109 extension of the west boundary of section 24, township  
110 19 south, range 25 east, extended south into Lake  
111 Harris; thence run southwesterly across Lake Harris to  
112 the point that the eastern boundary of section 12,

113 township 20 south, range 24 east intersects with the  
114 waters of Lake Harris; thence run in a general  
115 southeasterly direction along the waters of Lake  
116 Harris to the point that the southern boundary of  
117 section 24, township 20 south, range 25 east, and the  
118 waters of Lake Harris intersect; thence run west along  
119 the south boundary of sections 24, 23, and 22,  
120 township 20 south, range 25 east, to the southwest  
121 (SW) corner of said section 22, township 20 south,  
122 range 25 east; thence run south along the west  
123 boundary of sections 27 and 34, township 20 south,  
124 range 25 east to the southwest (SW) corner of section  
125 34, township 20 south, range 25 east; thence run west  
126 along the south line of said township 20 to western  
127 boundary of Lake County, and west boundary of range 24  
128 east; thence north along the west boundary of said  
129 range 24 to the point of beginning (hereinafter the  
130 "Northwest Territory").

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

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

135 B. "District" means the North Lake County Hospital  
136 District.

137 C. "Indigent care" means medically necessary health care  
138 provided to residents of the North Lake County Hospital District  
139 who are determined to be qualified pursuant to the provisions of  
140 the Florida Health Care Responsibility Act, section 154.304(9),

141 Florida Statutes, and the Florida Health Care Indigency  
 142 Eligibility Certification Standards, Florida Administrative  
 143 Code, rule 59H-1.0035(30).

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

146 Section 3. PUBLIC PURPOSE OF THE DISTRICT.—The public  
 147 purpose of the district is to provide a means to pay for  
 148 indigent care provided in accordance with this act. Indigent  
 149 care may be provided to residents of the district in accordance  
 150 with this act through the use of health care facilities not  
 151 owned and operated by the board of trustees. The provision of  
 152 such indigent care is found and declared to be a public purpose  
 153 and necessary for the preservation of the public health of the  
 154 residents of the district.

155 Section 4. MEMBERSHIP AND ORGANIZATION OF THE GOVERNING  
 156 BOARD OF THE DISTRICT.—

157 A. General.—

158 1. The district shall be governed by a board of trustees  
 159 composed of six persons to be elected by the electors residing  
 160 within the district in a general election. The trustees  
 161 currently serving on the board shall continue in their capacity  
 162 to the completion of their terms. The term of office of each  
 163 trustee shall be 4 years and a trustee may not serve more than  
 164 two terms for a maximum of 8 years. The term of office shall  
 165 expire on the date of the general election held 4 years after  
 166 the date on which that trustee was elected. All elections for  
 167 the office of trustee shall be conducted in the same manner as  
 168 elections for county commissioners.

CS/HB 1299

2012

169        2. The members of the board of trustees shall serve  
170 without pay. Each member shall give a bond to the Board of  
171 County Commissioners of Lake County and its successors in office  
172 for the use and benefit of the district for the faithful  
173 performance of his or her duties in the sum of \$1,000 with a  
174 surety company qualified to do business in this state as surety,  
175 which bond shall be approved and accepted by the Clerk of the  
176 Circuit Court of Lake County. The premiums on such bond shall be  
177 paid by the district as part of the expenses of the district.

178        3. Four of the trustees shall constitute a quorum, and a  
179 vote of at least four of the trustees is necessary for the  
180 transaction of any business of the district. The board of  
181 trustees may select from among its membership a chair, vice  
182 chair, secretary, and treasurer. The board of trustees shall  
183 cause true and accurate minutes and records to be kept of all  
184 business transacted by them and shall keep full, true, and  
185 complete books of account and minutes, which minutes and books  
186 shall be open and subject to the inspection of the residents of  
187 the district at all reasonable times during normal business  
188 hours. Any person desiring to do so may obtain a copy of the  
189 minutes and books of account or such portions thereof as he or  
190 she may desire upon payment of the costs of reproduction.

191        B. Election of the board of trustees.—

192        1. Registration of electors.—Any person who is a resident  
193 of the district, at least 18 years of age, and registered with  
194 the Supervisor of Elections for Lake County is eligible to vote  
195 for the election of members of the board of trustees.

196        2. Qualifications of candidate.—All trustees must be duly

197 qualified electors who reside in the district. Three trustees  
198 must reside in the Northeast Territory and three trustees must  
199 reside in the Northwest Territory. Beginning with the general  
200 election in 2014 and in each general election thereafter, a  
201 person is not eligible to seek election to the board of trustees  
202 if that person served, within the previous 2 years before the  
203 election, as an officer or member of a board of directors of a  
204 hospital physically located in the district, a parent  
205 corporation of such a hospital, or a foundation of such a  
206 hospital.

207 3. Vacancies.—Vacant trustee seats shall be filled through  
208 appointment by the Governor; appointees shall serve until the  
209 expiration of the term for which they are appointed.

210 C. Annual meeting.—The annual meeting shall be held before  
211 January 31 of each year at such time and place within the  
212 district as is determined by the board of trustees. Notice of  
213 the date, time, and place of the annual meeting shall be  
214 published online on a publicly accessible website maintained by  
215 the district and in a daily newspaper of general circulation, in  
216 a section other than the legal ad or classified ad sections, in  
217 the district once per week for 2 consecutive weeks. The date of  
218 the first publication of such notice must be at least 15, and  
219 not more than 30, days before the annual meeting. The agenda at  
220 the annual meeting of the board of trustees shall include, but  
221 is not limited to:

222 1. Call to order.

223 2. Presentation and approval of minutes of the last annual  
224 meeting and of any special meeting held since that meeting.



225       3. Financial report.

226       4. Presentation of the annual report of the board of  
 227 trustees.

228       5. Transaction of any business that may properly be  
 229 brought before the board.

230       6. Election of officers of the board of trustees.

231       D. Special meetings.—Special meetings of the board of  
 232 trustees may be called at any time by the chair or upon the  
 233 written request of four members of the board of trustees.  
 234 Notices of special meetings of the board of trustees shall be  
 235 published online on a publicly accessible website maintained by  
 236 the district and by publication in a daily newspaper of general  
 237 circulation in the district at least 7 days before such meeting,  
 238 stating the date and place and general matters of the business  
 239 to be considered.

240       E. Removal of members from the board of trustees.—Any  
 241 member of the board of trustees may be removed by the Governor  
 242 at any time, for cause, in which event such vacancy or vacancies  
 243 thereby occurring shall be filled through appointment by the  
 244 Governor for the unexpired term.

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

246       A. General powers.—The district may:

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

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

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

253           4. Make and execute agreements of lease, contracts, and  
 254 other instruments necessary in the exercise of its powers and  
 255 functions under this act.

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

260           6. Employ attorneys, accountants, and such other employees  
 261 and agents as may be necessary, in its reasonable judgment, to  
 262 carry out the purpose of the district, and fix their reasonable  
 263 compensation.

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

268           8. Cooperate with, apply for and receive grants from, or  
 269 contract with other governmental agencies or private individuals  
 270 or entities as may be necessary, convenient, or proper in  
 271 connection with any of the powers and duties authorized by this  
 272 act and to carry out the public purpose of the district in its  
 273 reasonable judgment.

274           9. Adopt and promulgate policies, rules, and procedures  
 275 for the efficient and effective operation of the district and to  
 276 ensure the proper implementation of this act.

277           10. Do all things necessary to carry out the purpose of  
 278 the district and to ensure the proper implementation of this  
 279 act.

280           B. Collection of taxes.—It is the duty of the Property

281 Appraiser of Lake County to assess, and the Tax Collector of  
 282 Lake County to collect, the ad valorem tax levied by the board  
 283 of trustees upon the taxable property in the district. The tax  
 284 collector shall collect such tax as levied by the board of  
 285 trustees in the same manner as other taxes are collected and  
 286 shall pay the same over to the board of trustees within the time  
 287 and in the manner prescribed by law for the payment of the Tax  
 288 Collector of Lake County taxes to the county depository. It is  
 289 the duty of the Department of Revenue to assess all such  
 290 property in accordance with section 193.085, Florida Statutes.  
 291 The amount of each county or state taxes and the taxes for the  
 292 district shall be assessed by the officer respectively as are  
 293 county taxes upon such property, and such tax shall be remitted  
 294 by the collecting officer to the board of trustees. All such  
 295 taxes shall be held by the board of trustees and paid out by  
 296 them for purposes of this act.

297 C. Liens and foreclosures.—Liens and foreclosure of liens  
 298 resulting from failure to pay ad valorem taxation shall be  
 299 treated as liens and foreclosures resulting from other ad  
 300 valorem taxes.

301 Section 6. PERMITTED USES OF TAX FUNDS.—Consistent with  
 302 the public purpose of the district, the use of funds received  
 303 through the district's taxing power and any interest thereon may  
 304 be used:

305 A. For reasonable expenses incurred by the district to  
 306 administer and enforce this act, including the use of private  
 307 vendors.

308 B. To pay for indigent care provided by licensed hospitals

309 physically located in the district according to policies and  
 310 procedures adopted by the board of trustees pursuant to and  
 311 consistent with this act.

312 C. To pay for indigent care provided by licensed primary  
 313 care clinics physically located in the district that are  
 314 approved by the board of trustees, if the care does not overlap  
 315 or duplicate care available through other public health clinics  
 316 physically located in the district and serving medically  
 317 indigent residents of the district.

318 D. To maximize public or private grant or matching funds  
 319 available for indigent care, including, but not limited to,  
 320 Medicaid Supplemental Hospital Funding Programs, the Low-Income  
 321 Pool Program, the Disproportionate Share Hospital Program, and  
 322 similar programs.

323 E. To contract with the Lake County Board of County  
 324 Commissioners for services performed for the district by  
 325 personnel employed by the county, as well as logistical and  
 326 technical support, to carry out, in its reasonable judgment, the  
 327 purpose of the district.

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

329 Section 7. RESTRICTIONS.—

330 A. The district board may not issue bonds, raise tax  
 331 revenue from any other source, or impose non-ad valorem  
 332 assessments.

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

335 1. To compensate for a provider's inability to collect  
 336 debts arising from serving persons who are not eligible for

337 indigent care under this act.

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

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

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

343 5. For indigent care based on assumptions, models,  
344 studies, or expert analyses or opinions.

345 6. For indigent care in excess of the actual cost of  
346 providing such care; however, the payment for indigent care  
347 provided may not exceed the amount payable by the Medicare  
348 program for identical or substantially similar care in the  
349 territory of the district.

350 Section 8. FISCAL RESPONSIBILITY, TRANSPARENCY, AND  
351 ACCOUNTABILITY.—

352 A. The board of trustees shall annually determine and  
353 approve a balanced district budget and millage in accordance  
354 with chapter 200, Florida Statutes, this act, and generally  
355 accepted accounting principles.

356 B. At least once each year, the board of trustees shall  
357 post online on a publicly accessible website maintained by the  
358 district and publish once in a daily newspaper of general  
359 circulation in the district a complete detailed statement of all  
360 moneys received and disbursed by it since the creation of the  
361 district as to the first published statement and since the last  
362 published statement as to any other year. The statement must  
363 include the sources from which the funds were received, the  
364 balance on hand at the time of the published statement, and a

365 complete statement of the financial condition of the district.

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

374 D. The district must conduct financial integrity and  
 375 compliance audits of providers receiving payments in any one  
 376 fiscal year in excess of 10 percent of the district's tax  
 377 revenue in that year, and may initiate other audits of any  
 378 provider at any time, to ensure compliance with this act and to  
 379 provide transparency and accountability to the taxpayers. All  
 380 audit reports become public records upon acceptance by the board  
 381 of trustees. If, upon completion of an audit, it is determined  
 382 that payment was made by the district that was not in compliance  
 383 with this act, a rebuttable presumption is created that the  
 384 district is entitled to a recoupment of the amounts in question.  
 385 Notice to the provider and an opportunity to go forward with  
 386 evidence rebutting the presumption in an informal setting shall  
 387 be provided. Pending any judicial determination, the district  
 388 may set off the amounts in question against any other amounts  
 389 owed or to be owed to the provider. If informal resolution  
 390 cannot be reached between the parties, a formal mediation  
 391 conference shall be requested by the board of trustees. Venue  
 392 for any legal proceedings is in the Circuit Court of Lake

393 County.

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

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

402 G. A provider requesting payment under this act must  
 403 certify, under penalty of perjury, that the eligibility  
 404 verification procedures adopted by the board of trustees have  
 405 been complied with and that he or she, in good faith, believes  
 406 that the person is qualified to receive indigent care under this  
 407 act.

408 H. If estimated payments are made to a provider eligible  
 409 to receive payment from the district, to ensure public  
 410 oversight, accountability, and public benefit, the hospital or  
 411 clinic shall maintain such funds in a separate accounting fund  
 412 and document each payment or draw down from that account so that  
 413 a complete audit record is established. The separate account and  
 414 all direct support documentation that is part of the audit  
 415 record is subject to disclosure as provided in chapter 119,  
 416 Florida Statutes.

417 I. Annual financial statements.—All hospitals receiving  
 418 any payments from the district in a given fiscal year, and their  
 419 parent corporations and foundations, shall each file annual  
 420 audited financial statements with the district.

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

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

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

426 3. Within 120 days after the end of its fiscal year, which  
 427 shall be the same as the fiscal year for Lake County government,  
 428 an annual report for the previous fiscal year providing a  
 429 detailed review of the performance of the district containing  
 430 actual data and analyses of patients served, the names and types  
 431 of providers used, the ratio of administrative to direct patient  
 432 expenditures, problems encountered, and recommendations for  
 433 improvement, including proposed legislative changes to this act.

434 Section 9. FINANCIAL DISCLOSURE AND NOTICE.—

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

437 B. Except as otherwise expressly required in this act, the  
 438 board of trustees is subject to the reporting, notice, and  
 439 public meetings requirements of sections 189.415, 189.417, and  
 440 189.418, Florida Statutes. All meeting and workshop notices and  
 441 minutes of meetings and workshops shall be posted online on a  
 442 publicly accessible website maintained by the district.

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

445 Section 11. SOVEREIGN IMMUNITY.—For purposes of sovereign  
 446 immunity pursuant to section 768.28(2), Florida Statutes, any  
 447 primary care clinic physically located in the district the main  
 448 purpose of which is to provide indigent care and which directly



449 delivers that care for compensation from the district as  
 450 provided in this act, and any health care provider who  
 451 volunteers his or her services to the primary care clinics to  
 452 provide indigent care without receiving personal financial  
 453 compensation, shall be conclusively deemed to be primarily  
 454 acting as an instrumentality of the state.

455 Section 12. COMPREHENSIVE PLANNING.—Except as may  
 456 otherwise be required by general law, comprehensive planning is  
 457 not required by this act.

458 Section 13. ESTABLISHMENT AND DISSOLUTION OF THE  
 459 DISTRICT.—The district, established pursuant to section  
 460 189.4042, Florida Statutes, is reestablished by this act as a  
 461 special district under chapter 189, Florida Statutes. The  
 462 district may be dissolved by action of the Legislature.

463 Section 14. DURATION AND CONTINUATION.—The district  
 464 expires and shall be dissolved at the end of its fiscal year in  
 465 2017 without further action by the Legislature. However, the  
 466 district may be continued at the end of that period for 10 years  
 467 if in the general election in 2016 a majority of the electors  
 468 voting in a referendum called for that purpose approve its  
 469 continuation. The district is subject to a continuation vote in  
 470 like manner every 10 years thereafter. If the district is  
 471 dissolved without further action by the Legislature as provided  
 472 in this act, all property owned by the district is transferred  
 473 to, and all indebtedness of the district is assumed by, the Lake  
 474 County Board of County Commissioners effective upon such  
 475 dissolution.

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

CS/HB 1299

2012

477 of Lake County shall call, and the Supervisor of Elections of  
 478 Lake County shall conduct, in conjunction with the general  
 479 election to be held on November 8, 2016, or such other general  
 480 election date as provided by general law, a referendum as  
 481 follows:

482  
 483 CONTINUATION OF THE NORTH LAKE COUNTY HOSPITAL DISTRICT

484  
 485 Shall the independent special district known as the  
 486 North Lake County Hospital District with authority to  
 487 levy each year an ad valorem tax not to exceed 1 mill  
 488 to fund indigent care to qualified residents of the  
 489 district be continued for another 10 years?

490  
 491 Yes

492  
 493 No

494  
 495 Section 4. Chapters 2002-348 and 2004-460, Laws of  
 496 Florida, are repealed.

497 Section 5. This act shall take effect upon becoming a law.