

ENROLLED
CS/CS/HB 1299

2012 Legislature

1
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.

Page 1 of 18

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

hb1299-03-er

ENROLLED
CS/CS/HB 1299

2012 Legislature

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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2004-460, Laws of Florida, relating to the North Lake County Hospital District, are codified, reenacted, amended, and repealed as provided in this act.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

ENROLLED
CS/CS/HB 1299

2012 Legislature

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

Page 3 of 18

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hb1299-03-er

ENROLLED
CS/CS/HB 1299

2012 Legislature

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,

ENROLLED
CS/CS/HB 1299

2012 Legislature

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),

ENROLLED
CS/CS/HB 1299

2012 Legislature

141 Florida Statutes, and the Florida Health Care Indigency
 142 Eligibility Certification Standards, Florida Administrative
 143 Code, rule 59H-1.0035(30), except that the poverty rate standard
 144 shall be 200 percent of the federal poverty level.

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

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

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

158 A. General.—

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

ENROLLED
CS/CS/HB 1299

2012 Legislature

169 elections for county commissioners.

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

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

192 B. Election of the board of trustees.—

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

ENROLLED
CS/CS/HB 1299

2012 Legislature

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

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

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

- 223 1. Call to order.
- 224 2. Presentation and approval of minutes of the last annual

ENROLLED
CS/CS/HB 1299

2012 Legislature

225 meeting and of any special meeting held since that meeting.

226 3. Financial report.

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

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

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

232 D. Special meetings.—Special meetings of the board of
233 trustees may be called at any time by the chair or upon the
234 written request of four members of the board of trustees.

235 Notices of special meetings of the board of trustees shall be
236 published online on a publicly accessible website maintained by
237 the district and by publication in a daily newspaper of general
238 circulation in the district at least 7 days before such meeting,
239 stating the date and place and general matters of the business
240 to be considered.

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

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

247 A. General powers.—The district may:

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

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

251 3. Sue and be sued in its own name and plead and be
252 impleaded, but with all sovereign immunity and limitations

ENROLLED
CS/CS/HB 1299

2012 Legislature

253 provided by the State Constitution and general law.

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

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

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

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

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

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

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

ENROLLED
CS/CS/HB 1299

2012 Legislature

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

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

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

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

ENROLLED
CS/CS/HB 1299

2012 Legislature

309 B. To pay for indigent care provided by licensed hospitals
310 physically located in the district according to policies and
311 procedures adopted by the board of trustees pursuant to and
312 consistent with this act.

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

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

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

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

330 Section 7. RESTRICTIONS.—

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

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

336 1. To compensate for a provider's inability to collect

ENROLLED
CS/CS/HB 1299

2012 Legislature

337 debts arising from serving persons who are not eligible for
338 indigent care under this act.

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

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

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

345 5. 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

ENROLLED
CS/CS/HB 1299

2012 Legislature

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

ENROLLED
CS/CS/HB 1299

2012 Legislature

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 of
412 funds and document each eligible indigent care patient account
413 so that a complete audit record is established. All direct
414 documentation that is part of the audit record is subject to
415 disclosure as provided in chapter 119, Florida Statutes.

416 I. All hospitals receiving any payments from the district
417 in a given fiscal year shall file with the district the audited
418 financial statements required by and filed with the Agency for
419 Health Care Administration for the same fiscal year.

420 J. The board of trustees shall timely provide to each

ENROLLED
CS/CS/HB 1299

2012 Legislature

421 member of the Lake County Legislative Delegation:

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

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

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

433 Section 9. FINANCIAL DISCLOSURE AND NOTICE.—

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

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

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

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

ENROLLED
CS/CS/HB 1299

2012 Legislature

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

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

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

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

475 Section 15. REFERENDUM.—The Board of County Commissioners
 476 of Lake County shall call, and the Supervisor of Elections of

ENROLLED
CS/CS/HB 1299

2012 Legislature

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

481
 482 CONTINUATION OF THE NORTH LAKE COUNTY HOSPITAL DISTRICT

483
 484 Shall the independent special district known as the
 485 North Lake County Hospital District with authority to
 486 levy each year an ad valorem tax not to exceed 1 mill
 487 to fund indigent care to qualified residents of the
 488 district be continued for another 10 years?

489
 490 Yes _____

491
 492 No _____

493
 494 Section 4. Chapters 2002-348 and 2004-460, Laws of
 495 Florida, are repealed.

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