

ORDINANCE #65504
Board Bill No. 24
Committee Substitute

An Ordinance recommended and approved by the Board of Estimate and Apportionment pertaining to a health care services agreement entered into by the City of St. Louis and St. Louis Connectcare, such agreement having been authorized and approved by Ordinance 65492, amending Section Two of Ordinance 65492, appropriating an additional three million five hundred thousand dollars (\$3,500,00.00) for a total appropriation of five million dollars (\$5,000,000.00) for such health care services and containing an emergency clause.

BE IT ORDAINED BY THE CITY OF ST. LOUIS AS FOLLOWS:

SECTION ONE. Section Two of Ordinance 65492 is hereby amended to read as follows:

SECTION TWO. There is hereby appropriated five million dollars (\$5,000,000.00) to ConnectCare from local use tax receipts accruing to Fund 1110, Health Care Trust Fund, pursuant to Ordinance 65121 for the purpose of providing health care services within the City of St. Louis, as required under said Agreement.

SECTION THREE. Emergency Clause. This being an Ordinance for the immediate preservation of public peace, health and safety, it is hereby declared to be an immediate measure within the meaning of Sections 19 and 20 of Article IV of the Charter of the City of St. Louis and therefore this Ordinance shall become effective immediately upon its passage and approval by the Mayor.

AGREEMENT

THIS AGREEMENT is made and entered into as of this 1st day of May 2002, by and between **THE CITY OF ST. LOUIS**, a municipal corporation of the State of Missouri ("City"), and **SAINT LOUIS CONNECTCARE, d/b/a SAINT LOUIS CONNECTCARE COMMUNITY HEALTH CENTERS**, a Missouri nonprofit public benefit corporation ("ConnectCare").

WITNESSETH:

WHEREAS, the parties entered into contracts effective July 1, 1999 and July 1, 2000 that provided funding for ConnectCare to operate an acute care hospital facility at 5535 Delmar Blvd. ("Hospital"), and associated primary and specialty care clinics ("Clinics"), and

WHEREAS, ConnectCare has operated the Hospital and associated primary and specialty care Clinics that provide care to residents of the greater St. Louis area; including primarily the City of St. Louis, and

WHEREAS, ConnectCare is willing to continue to operate such Hospital and Clinics and to provide health services directly and through relationships with other providers so long as City annually contributes a portion of the operational costs for such health services; and

WHEREAS, the operation of ConnectCare and the providing of health services are intended to maintain and improve the health of the people served by ConnectCare and seek to continually improve the efficiency and economy of the delivery of such health care services; and

WHEREAS, ConnectCare provides health services to the medically uninsured residents of the City that City has represented that such services will be in furtherance of the City's power to provide for the care of children, sick and other residents; and

WHEREAS, ConnectCare will require substantial funds to provide for the provisions of health services and ConnectCare proposes to obtain such funds for the operation of the facilities through this Agreement and agreements with St. Louis County ("County") and others; and

WHEREAS, the City has agreed to provide a fixed payment for the term of this Agreement for health care services and

WHEREAS, City has represented that the laws of the State of Missouri, including but not limited to Chapter 70 R.S.Mo., Chapter 205 R.S.Mo., all as amended, and the Charter of St. Louis City permit and authorize City to make arrangements and payments for health care services and that such arrangements are within the public interest and for a public purpose and, therefore,

City, subject to annual appropriation, will dedicate such funds from City revenues and make payments to ConnectCare for the provision of health care services; and

WHEREAS, the City desires to continue to have ConnectCare operate the Hospital and Clinics for the term of this Agreement, and

WHEREAS, the Board of Estimate and Apportionment has recommended this Agreement and appropriation;

NOW THEREFORE, in consideration of the preceding premises and mutual covenants herein contained, the parties agree as follows:

A. ConnectCare Responsibilities

1. ConnectCare shall operate a portion of the hospital currently located at 5535 Delmar Blvd. in the City of St. Louis ("Hospital") and the clinic sites located at: 1717 Biddle, St. Louis, 63106, known as Lillian E.Courtney Health Center, 5541 Riverview, St. Louis, 63120, known as Florence Hill Health Center; 2425 Whittier, St. Louis, 63113, known as Homer Phillips Health Center; 2220 Lemp, St. Louis, 63104, known as Max Starkloff Health Center (the "Clinic Sites"), for the purpose of providing health care and primary care ambulatory services. ConnectCare shall obtain and maintain the appropriate licenses and accreditation for the operation of Hospital and Clinic Sites (collectively "Facilities"). ConnectCare may enter into arrangements with other independent medical providers and consultants as needed to assist in the provision of health care services and such arrangements, if any, will be the sole responsibility of ConnectCare. City shall not have any direct or indirect relationship with any such providers under this Agreement.

2. Health services provided by ConnectCare shall include specialty/subspecialty and ambulatory care services and urgent care/emergency room and acute care services as may be provided by ConnectCare or its participating hospitals from time to time as further described in the Scope of Services, which is attached hereto as Exhibit 1 and made a part hereof. ConnectCare shall notify City thirty days prior to any change in Scope of Services or participating hospitals. City acknowledges that the uninsured patients served by ConnectCare may also include residents of St. Louis County who may present for treatment at Hospital provided such care does not detract from services rendered to City residents.

3. ConnectCare will provide health services in conformity with applicable Federal and State laws and regulations and with generally recognized and applicable clinical standards and will obtain and maintain applicable certifications.

4. ConnectCare shall operate its facilities including all supplies, maintenance and services necessary for such operations, and provide health services, educational and professional training, and other professionally necessary services for the treatment and care of the uninsured, either directly or indirectly through arrangements with other community participating hospitals, medical providers or entities (collectively "Independent Providers"). The City recognizes that all arrangements with Independent Providers to assist in the provision of health care services will be the responsibility of ConnectCare and, accordingly, all reporting obligations, if any, regarding the activities of Independent Providers will be provided by ConnectCare.

5. ConnectCare, at its own expense, shall provide and keep in force with companies qualified to do business in the State of Missouri insurance providing coverage for general, premises, professional medical negligence and directors' and officers' liability for the benefit of ConnectCare, its directors, officers, employees and agents. ConnectCare shall furnish, upon request, a certificate of such insurance 30 days prior to the execution of this Agreement and annually thereafter. The City of St. Louis shall be named as an additional insured on all insurance covering liability and fire damage to the Clinic Sites.

6. ConnectCare and the City of St. Louis have previously entered into a lease arrangement for the use and possession of Clinic Sites (said Clinic Leases are attached to the original Agreement hereto and made a part hereof) with a term that ends July 31, 2004.

7. ConnectCare will continue to maintain a Community Advisory Council consisting of individuals from the broader community and patients who utilize services provided by ConnectCare. ConnectCare will continue to employ an ombudsman who will serve as a liaison to the community and patients concerning the provision of health care services by ConnectCare.

8. ConnectCare shall submit a proposed operating and capital budget for each subsequent fiscal year to the Comptroller of the City by March 1 of each preceding fiscal year. ConnectCare shall notify City of any changes in fiscal year. Said budget shall include anticipated sources of funding and amount of funding from each source and detailed expenses shown by cost

center. ConnectCare shall also submit to Comptroller the actual budget when passed. Failure to provide such information may result in non-contribution of funds due hereunder by the City. The Comptroller has the right to audit all financial records of ConnectCare.

B. City Responsibilities

1. Subject to applicable state and federal laws and regulations, the Comptroller of the City shall annually certify to the State any and all payments made by the City to ConnectCare for use in the determination of disproportionate share hospital (“DSH”) payments. City shall cooperate fully with ConnectCare to maximize the availability of DSH funds to provider institutions having agreements with ConnectCare.

2. City shall contribute to ConnectCare, as complete consideration for the rendering of health services provided to City residents for a period from July 1, 2001 through June 30, 2002 five million dollars (\$5,000,000.00). Said payment shall be made within thirty days after execution of this Agreement by the City. No other payments are due or will be due ConnectCare by the City for the operation of the Hospital or the Clinics under this Agreement.

3. The parties acknowledge that City’s contribution as recited in this Agreement is conditional upon the availability of funds appropriated in accordance with the provisions of the City Charter and ordinances; and that the City’s commitment to contribute shall not be construed as constituting an indebtedness of the City beyond available appropriations in any fiscal year. .

4. Notwithstanding City’s payment commitment hereunder, all funds, revenue or contributions received by ConnectCare rendering from health services or any other services performed by ConnectCare (collectively, “Revenues”) from whatever source shall be and remain the sole property of ConnectCare. ConnectCare shall use such Revenues exclusively toward the operation of its Facilities and provision of health services or any other services designated by ConnectCare provided that City receives notice of such other services.

C. Term and Termination

1. This Agreement shall be in force and effect for a period beginning on date of execution by the City and ending on June 30, 2002.

2. ConnectCare may terminate the Agreement at any time if the City fails to make the payment as required in Section B.2.. However, before any termination, ConnectCare must give the City’s Board of Estimate and Apportionment written Notice of Intent to Terminate, and the City has sixty days from said Notice to make the arrear payment. If said payment is made within said sixty days, this Agreement shall remain in full force.

3. Notwithstanding the provisions of any terms of this Agreement, City may terminate the Agreement at any time upon 90 days notice in the event:

- (a) ConnectCare materially fails to provide services as contemplated in this Agreement provided such failure is unrelated to a lack of available resources.
- (b) ConnectCare is declared insolvent by state and federal regulatory agencies; voluntarily files articles of dissolution or takes similar action to dissolve itself or terminate its existence; is unable to pay its debts or has a trustee, receiver or other custodian appointed on its behalf.
- (c) ConnectCare fails to provide budgets as required herein.
- (d) ConnectCare fails to provide the City the audited financial statements and comments regarding internal controls for the fiscal year ending June 30, 2001 within thirty days of the execution of this Agreement. Said statements and comments shall be provided by a reputable independent accounting firm.
- (e) ConnectCare fails to provide City a five-year strategic and financial plan within thirty days of the execution of this Agreement, or
- (f) ConnectCare fails to maintain necessary certification for medicare/medicaid participation throughout the term of this Agreement.

4. If either party terminates this Agreement, the termination shall relieve ConnectCare of any and all obligations to provide health services to City residents. Notwithstanding termination of the Agreement; both parties shall retain all of its remedies and rights available at law or in equity.

D. Miscellaneous Provisions

1. The City shall not by virtue of this Agreement be deemed a partner of or in joint venture with ConnectCare or any Independent Provider, in either the operation of any ConnectCare Facilities or the provision of health services. ConnectCare shall remain an independent contractor under this Agreement and shall not be considered an affiliate, subdivision or agent if City nor shall any ConnectCare employees, agents, representative and contractors be considered employees, representatives, or agents of the City. Any person or entity providing services to or on behalf of ConnectCare at Hospital or other sites controlled by ConnectCare shall be the sole responsibility of ConnectCare and remain under ConnectCare’s exclusive control. Furthermore, City acknowledges that ConnectCare shall be solely responsible for the selection, retention and termination of ConnectCare employees, agents, and contractors.

2. ConnectCare shall have the exclusive right to determine the extent of health services provided subject only to economic feasibility.

3. If ConnectCare enters into any agreement to provide hospital or health services, ConnectCare shall provide City with a copy of any such agreements upon the request of the City.

4. This Agreement, and the other documents described herein, constitutes the entire agreement of the parties with respect to the matters addressed herein. It supersedes all prior oral or written understandings between the parties concerning such matters. No amendment or modification of the Agreement shall be binding on either party except upon the express written and authorized consent of the Board of Estimate and Apportionment, the Board of Aldermen and ConnectCare.

5. Notices required hereunder shall be in writing and delivered by certified mail, return receipt requested, or personal delivery to the individuals listed below or as otherwise directed herein. All such notices shall be directed as follows:

<u>City</u>	<u>ConnectCare</u>
Mayor Room 200, City Hall St. Louis, Missouri 63103	St. Louis ConnectCare 5535 Delmar Blvd. St. Louis, Missouri 63112 Attn: President & CEO
Copy to:	
Comptroller Room 212, City Hall St. Louis, Missouri 63103	
President of the Board of Aldermen Room 232, City Hall St. Louis, Missouri 63103	

6. ConnectCare shall abide by all applicable federal and state laws regarding employment and the provision of health services. ConnectCare shall not unlawfully discriminate against any individual on the basis of sex, race, color, religion, disability, age, creed, national origin or ancestry, sexual preferences or veteran status.

7. In the event of a material breach on the part of either party of any of its obligations under this Agreement, the non-breaching party shall have all remedies available to it at law or in equity.

8. The failure of either party to insist at any time upon the strict observance or performance of any of the provisions of the Agreement shall not constitute a waiver of any breach or of any right to demand exact compliance with any future performance hereunder.

9. The parties understand that federal, state and local laws and regulations applicable to this Agreement may be

amended from time to time and each shall execute any amendments to this Agreement necessary to maintain compliance with those laws and regulations.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date and year first above written.

SAINT. LOUIS CONNECTCARE

CITY OF ST. LOUIS

by

by

President & CEO

Mayor, City of St. Louis

Attest:

By: _____
Secretary

Comptroller, City of St. Louis

Approved as to Legal Form:

City Counselor

Register, City of St. Louis

Board of Estimate and Apportionment Approval _____

Approved: May 20, 2002