AGREEMENT BETWEEN THE CITY OF JACKSONVILLE AND SHANDS JACKSONVILLE MEDICAL CENTER, INC. RE: DISTRIBUTION OF CITY'S INDIGENT CARE APPROPRIATION FOR FISCAL 2025-2026

WHEREAS the Amended and Restated Agreement for Indigent Care entered into on June 2, 2005, as amended ("Indigent Care Agreement") between the City of Jacksonville and Shands Jacksonville Medical Center, Inc., formerly known as the University Medical Center, Inc., ("Shands Jacksonville") provides for the direct payment of appropriated funds to Shands Jacksonville in reimbursement for indigent care services;

WHEREAS in addition to such services Shands Jacksonville renders care to persons not qualifying for coverage under the Indigent Care Agreement and who are not able to pay for necessary medical services;

WHEREAS the state of Florida provides a Medicaid hospital program for the 2025-2026 fiscal year pursuant to the General Appropriations Act of 2025-2026 passed by the Florida Legislature, designed to increase the provision of Medicaid funded health services;

WHEREAS the City of Jacksonville and Shands Jacksonville agree that the appropriation for payment for indigent care to Shands Jacksonville can best be utilized if directly made in whole or in part to the State of Florida in accordance with the State of Florida's Medicaid hospital program;

WHEREAS Shands Jacksonville and the City of Jacksonville agree that the primary purpose of said payment is to be utilized by the State of Florida in accordance with the State of Florida's Medicaid hospital program, including its Disproportionate Share (DSH) and Low Income Pool (LIP) components, and that the secondary purpose of said payment is to provide direct funding to Shands Jacksonville under the Indigent Care Agreement; and

NOW THEREFORE the City of Jacksonville and Shands Jacksonville agree that payment by the City of Jacksonville of its 2025-2026 indigent care appropriation in the amount not to exceed $56,000,000 shall be made by: (i) paying $27,546,542.65 to Shands Jacksonville upon receipt of invoice; and (ii) paying $28,453,457.35 directly to the State of Florida, under the terms of the Letters of Agreement between the State and the City ($22,000,000.00 for LIP and $6,453,457.35 for DSH) (the "State Agreements") for use in the State of Florida's Medicaid hospital program for the fiscal year 2025-2026. To the extent that the State of Florida is unable to utilize any portion of this amount in its Medicaid hospital program for the fiscal year 2025-2026, the City of Jacksonville shall make a payment of the balance of appropriated funds directly to Shands Jacksonville. Said payments shall satisfy the City of Jacksonville's payment obligation of appropriated funds, if any, to Shands Jacksonville under the Indigent Care Agreement.

As provided in the State Agreements, funding provided by the City shall be prioritized so that designated funding shall first be used to fund the Medicaid program and used secondarily for other purposes.

PROVIDED FURTHER THAT, in the event that the State of Florida, through its Agency for Health Care Administration, shall accept certification or other form of proof of payment by the City of Jacksonville to Shands Jacksonville to evidence satisfaction of all or any portion of the City of Jacksonville's obligation to pay appropriated funds, if any, to Shands Jacksonville under the Indigent

Care Agreement ("Certification") upon the written request of Shands Jacksonville to the City of Jacksonville's Director of Administration and Finance Department, the City of Jacksonville will pay all or any portion of such sum to Shands Jacksonville and furnish "Certification" evidencing such payment in such form and pursuant to such terms as the State of Florida may reasonably require so as to qualify the payment evidenced by such "Certification" under the State of Florida's Medicaid hospital program.

This agreement is subject to appropriation of funds by the City of Jacksonville for fiscal year 2025-2026.

This Agreement may be executed electronically and in counterparts by the parties to take effect as of October 1, 2025. Such electronically signed or counterpart copy when assembled together shall be deemed an original agreement.

Karen Bowling
Chief Administrative Officer
For: Mayor Donna Deegan
Under Authority of:
Executive Order No. 2023-02

CITY OF JACKSONVILLE, acting
as Duval County, Florida

By: _____
Its: _____

SHANDS JACKSONVILLE MEDICAL
CENTER, INC.

By: _____
Its:

Approved:
Office of General Counsel

By: _____

GC-#1698174-v1-Exhibit_1_-_Shands_Indigent_Care_Agreement_2025-2026.docx

Encumbrance and funding information for internal City use:

Account or POA Number: _____
Maximum Indebtedness:

1Cloud Account for Certification of Funds	Amount

This above stated amount is the maximum fixed monetary amount of the foregoing Contract. It shall not be encumbered by the foregoing Contract. It shall be encumbered by one (1) or more subsequently issued purchase order(s) that must reference the foregoing Contract. All financial examinations and funds control checking will be made at the time such purchase order(s) are issued.

In accordance with Section 24.103(e), of the *Jacksonville Ordinance Code*, I do hereby certify that there is an unexpended, unencumbered and unimpounded balance in the appropriation sufficient to cover the foregoing Contract; provided however, this certification is not nor shall it be interpreted as an encumbrance of funding under this Contract. Actual encumbrance[s] shall be made by subsequent purchase order[s], as specified in said Contract.

_____
Director of Finance
City Contract Number: _____