

MEMORANDUM OF UNDERSTANDING

BETWEEN

Baldwin County Commission

AND

Sacred Heart Health System, Inc.

THIS MEMORANDUM OF UNDERSTANDING (“MOU”) is made by and between the undersigned representatives of the Baldwin County Commission (“Baldwin County Commission”) and Sacred Heart Health System, Inc., DBA Sacred Heart Medical Oncology Group as a non-profit corporation organized and existing under the laws of the State of Florida, located at 5151 N. 9th Ave., Pensacola, Florida, 32504 and 9815 Millwood Drive, Daphne, AL 36527 (a/k/a “Sacred Heart Health System, Inc.”).

RECITALS:

WHEREAS, Sacred Heart Health System, Inc. is a Florida not-for-profit hospital that provides a disproportionate share of healthcare services to the Medicare population in addition to supporting many programs that benefit the indigent, uninsured or underinsured population in the State of Florida; and

WHEREAS, Sacred Heart Health System, Inc. owns and operates one cancer clinic in Daphne, Alabama called The Medical Oncology Center (“The Medical Oncology Center – Daphne, Alabama”); and

WHEREAS, Sacred Heart Health System, Inc. desires that The Medical Oncology Center – Daphne, Alabama participate in the drug discount program established under Section 340B of the Public Health Services Act (the “340B Program”); and

WHEREAS, in order for a clinic located off Sacred Heart Health System’s main campus to participate in the 340B Program, Sacred Heart Health System, Inc. must seek the acknowledgement by a unit of the state or local government, whose geographic boundaries encompass the operations of the subject off-site clinic (i.e. The Medical Oncology Center – Daphne, Alabama), benefiting low-income individuals who are not entitled to Medicare or Medicaid benefits;

WHEREAS, Sacred Heart Health System, Inc. desires to make such a formal commitment to the Baldwin County Commission on behalf of The Medical Oncology Center – Daphne, Alabama; and

WHEREAS, the Baldwin County Commission simply provides their acknowledgment that such commitments benefit the general citizenry of Baldwin County, Alabama.

NOW, THEREFORE, the Baldwin County Commission acknowledges the benevolent nature of the services to be rendered by Sacred Heart Health System, Inc. as follows:

1. **Commitment of Sacred Heart Health System, Inc. and The Medical Oncology Center – Daphne, Alabama to provide Indigent Care.**

During the term of this MOU, Sacred Heart Health System, Inc. endeavors to provide for the health care to indigent, uninsured and underinsured residents of Baldwin County, Alabama. This commitment pertains solely to the provision of outpatient oncology services at The Medical Oncology Center – Daphne, Alabama as located at 9815 Milwood Drive, Daphne, Alabama 36526, including but not limited to professional medical services rendered by Physician employees of Sacred Heart Health System, Inc. that indigent care provided during the term of this MOU at The Medical Oncology Center – Daphne, Alabama will be approximately \$1,000,000 per year, based upon usual and customary charges. In any event, Sacred Heart Health System, Inc. will assure that all cancer patients who present to The Medical Oncology Center – Daphne, Alabama will receive necessary care, as required by law, regardless of ability to pay. The purpose of this commitment is to assure access in the Baldwin County, Alabama service area to outpatient oncology services for low-income individuals who are not entitled to benefits under Medicare or Medicaid, as required under the Code of Federal Regulations, Volume 42, Section 413.65(e)(3)(i)(C).

2. **Acknowledgements of Baldwin County Commission.**

(a) The Baldwin County Commission acknowledges the commitment of Sacred Heart Health System, Inc. set forth above; and

(b) The Baldwin County Commission hereby acknowledges that the healthcare services provided by Sacred Heart Health System, Inc. hereunder are in the public interest and being provided to assure access in the Baldwin County, Alabama service area to outpatient oncology services for individuals who are not entitled to benefits under Title XVIII or eligible for assistance under any State plan pursuant to Title XIX of the Social Security Act; and

(c) The Baldwin County Commission acknowledges that Sacred Heart Health System, Inc. is providing these services at no reimbursement or considerably less than full reimbursement from the patients; and

(d) Healthcare services to be provided by Sacred Heart Health System, Inc. are specific to those provided by a medical oncologist physician practice and infusion clinic.

3. **Representations of Sacred Heart Health System.** Sacred Heart Health System represents that as of the date hereof:
 - (a) Sacred Heart Health System, Inc. constitutes a corporation duly organized and validly existing in good standing under the laws of the State of Florida and is qualified to do business in the State of Alabama, with the corporate power and authority to enter into and perform its obligations under this MOU; and
 - (b) Sacred Heart Health System, Inc. is a tax-exempt corporation of under Section 501(c)(3) of the Internal Revenue Code of the United States, as amended and under applicable laws of the State of Florida.
4. **No Warranties.** The Baldwin County Commission in no way guarantees or warrants, either expressly or impliedly, the quality, accuracy, completeness, reliability, or suitability for any particular purpose the services rendered or performed by Sacred Heart Health System, Inc. and / or The Medical Oncology Center – Daphne, Alabama, including their servants, employees, affiliates or assigns, pursuant to or envisioned by this MOU. Additionally, the Baldwin County Commission or any agent, servant or employee thereof assume no liability associated with any services rendered or performed by Sacred Heart Health System, Inc. and / or The Medical Oncology Center – Daphne, Alabama.
5. **Indemnification.** It is mutually understood and agreed by the parties that Sacred Heart Health System, Inc. and The Medical Oncology Center – Daphne, Alabama shall defend, indemnify and hold harmless the Baldwin County Commission, its agents, servants and employees against any liability (including death), claims, demands, causes of action, administrative proceeding or hearings, to include the costs of any attorney fees, fines, damages or costs, or other penalties arising out of and / or alleged to arise out of the acts or omissions of Sacred Heart Health System, Inc. and The Medical Oncology Center – Daphne, Alabama, or its agents, servants or employees pursuant to and / or envisioned by this MOU.
6. **Terms and Termination.** The term of this MOU shall commence on the date last written below and shall continue until terminated by either party upon not less than sixty (60) days prior written notice to the other.

7. **Notice.** All notices required or permitted to be given under this MOU shall be deemed given when received by hand or sent by registered or certified mail, return receipt requested, addressed as follows:

Sent to:

Baldwin County Commission
Attention: Chairman of the County Commission
Address: 312 Courthouse Square, Suite 12
Bay Minette, Alabama 36507

Sent to:


Sacred Heart Health System, Inc.
Attention: Theresa Brown
5151 North 9th Avenue
Pensacola, Florida 32504

8. **Governing Law.** This MOU shall be governed by and construed in accordance with the laws of the State of Alabama (excepting any conflict of laws provisions which would serve to defeat application of Alabama substantive law).


IN WITNESS WHEREOF, Sacred Heart Health System, Inc. and the Baldwin County Commission have executed this Memorandum of Understanding as of the day and year last written below by their duly authorized representatives.

BALDWIN COUNTY COMMISSION


**SACRED HEART HEALTH SYSTEM,
INC.**



Albert Lipscomb, Chairman


Name/Title: Myron Annette Dove, Director
Medical Oncology

Attest:



Locke W. Williams, Clerk/Treasurer

Attest:

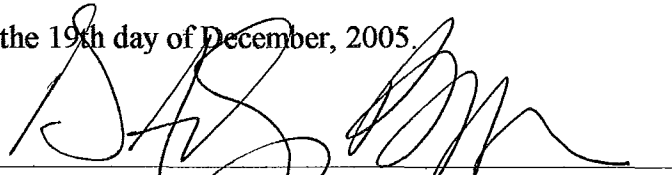
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STATE OF ALABAMA)

COUNTY OF BALDWIN)

I, the undersigned authority, a Notary Public, in and for Baldwin County and the State of Alabama, hereby certify that MYRON ANNETTE DOVE, as Director of Medical Oncology and representative of Sacred Heart Health System, Inc., whose name is signed to the foregoing instrument acknowledged before me on this day that, being informed of the contents of said instrument, she, as such Director of Medical Oncology and representative of Sacred Heart Health System, Inc., and with full authority, executed the same voluntarily on the day the same bears date for and as the act of said SACRED HEART HEALTH SYSTEM, INC.

GIVEN, under my hand and Seal this the 19th day of December, 2005.



D. ANTHONY BREWER, Notary Public
My Commission expires: February 8, 2006