

**INTERLOCAL COOPERATION ACT CONTRACT
TO PROVIDE HEALTH CARE SERVICES
BETWEEN THE UNIVERSITY OF TEXAS MEDICAL BRANCH AT GALVESTON
AND THE COUNTY OF NUECES HOSPITAL DISTRICT**

This Interlocal Cooperation Act Contract (the “Contract”) is entered into pursuant to the authority granted under *Chapter 791, Texas Government Code* by and between **The University of Texas Medical Branch at Galveston**, an institution of The University of Texas System, an agency of the State of Texas, (“UTMB”), and **Nueces County Hospital District** (“Hospital District”) for the provision of the health care services to the Hospital District’s eligible residents described herein.

This Contract is subject to the provisions of the Texas Indigent Health Care and Treatment Act, *Chapter 61, Texas Health & Safety Code* (the “Act”). However, UTMB and Hospital District understand and acknowledge that Hospital District shall be liable to UTMB for the treatment and provision of health care services to any Eligible Resident under this Contract, as contemplated and authorized under Section 74.005 (d), Texas Education Code, up to the Cap Out amount.

I. Definitions:

- 1.1 **Cap Out:** The maximum annual Hospital District liability per Eligible Resident under this Contract, which UTMB and Hospital District agree shall be \$60,000 for services provided by UTMB.
- 1.2 **Eligible Resident:** An Eligible Resident is a Hospital District resident who:
 - 1.2.1 Presents a valid Hospital District identification card to UTMB; and either
 - 1.2.2 Presents a valid referral authorization from the Hospital District indigent health care office, an authorized Hospital District official, the Hospital District’s authorized third party administrator or from a physician designated by the Hospital District indigent health care office as authorized to make referrals, in addition to a valid preauthorization from the Hospital District or Hospital District’s designee; or
 - 1.2.3 Presents in a UTMB emergency room without a referral where Emergency Care will be provided.
- 1.3 **Emergency Care:** Care given to any person who presents in the UTMB emergency room to evaluate and stabilize a medical condition of recent onset and severity, including severe pain, that would lead a prudent layperson possessing an average knowledge of medicine and health to believe that the person’s condition, sickness, or injury is of such a nature that failure to get immediate medical care could result in: 1) placing the patient's health in serious jeopardy; (2) serious impairment to bodily functions; (3) serious dysfunction of a bodily organ or part; (4) serious disfigurement; or (5) in the case of woman, serious jeopardy to the health of the fetus.

- 1.4 **Invoice:** An invoice is the demand for payment for services provided by UTMB to Eligible Residents which may be submitted at the election of the Hospital District either electronically or in monthly statement form as set out in Section 2.2.2.
- 1.5 **Patient Encounter:** A patient encounter includes each preauthorized inpatient or outpatient visit to UTMB by an Eligible Resident and all medically appropriate procedures, treatments, and ancillary services associated with that visit.
- 1.6 **Primary Care:** General health care services provided by family practitioners, pediatricians, and internal medicine physicians.
- 1.7 **Secondary Care:** Specialty health care services provided by a specialist who is asked to provide more insight and treatment regarding the medical problem of a patient who has been referred to UTMB.
- 1.8 **Tertiary Care:** Health care services provided within a sophisticated specialty care setting that is serving as a referral and support alternative to primary and secondary care.
- 1.9 **Medical Screening Examination:** The process required to reach with reasonable clinical confidence the point at which it can be determined whether a medical emergency does or does not exist. Depending on patient's presenting symptoms, the exam could range from a simple process involving only a brief history and physical exam to a complex process that involves performing ancillary studies and procedures, including clinical lab tests, CT scans, and/or diagnostic tests and procedures. The exam is an ongoing process that must continue until the patient is stabilized or it can be determined whether a medical emergency does or does not exist.

II. Responsibilities:

2.1 Hospital District's Responsibilities:

- 2.1.1 The Hospital District agrees to pay UTMB the fees charged to the Hospital District by UTMB for health care services rendered pursuant to this Contract within sixty (60) days of date of the Invoice except for amounts specifically disputed in accordance with Section 2.1.2. The undisputed portions of any Invoice will not be withheld and will be paid in accordance with this section 2.1.1.
- 2.1.2 In the event the Hospital District disputes all or any portion of an amount included on an Invoice, the Hospital District will notify UTMB in writing of the specific reason for which the amount is being disputed. Valid reasons for dispute include (i) appointment not authorized; (ii) Cap Out and (iii) Medicaid patient. In the case of the first two, UTMB and Hospital District will consult their respective records to resolve the dispute. In the case of a Medicaid patient, the Hospital District will provide the Medicaid Number, the Add Date, Effective Date and Term Date and such other information as is reasonably requested by UTMB. Any other reason for disputing a charge (i.e.,

duplicate charge) must be accompanied by a full explanation of the reason for non-payment and evidence that such charge is not valid and the Hospital District will provide to UTMB such additional information as is reasonably requested by UTMB. All notices of dispute shall be in writing, specific, in good faith, and promptly forwarded to the respective UTMB billing entity, but in no event later than forty-five (45) days from the date of the Invoice containing the disputed charge. Dispute notices received by UTMB later than forty-five (45) days from the date of the Invoice shall be null and void and the disputed amount shall be due and owing from the Hospital District to UTMB. Notices of dispute of a charge will be sent directly to the respective UTMB billing entity set forth in Section 2.1.4 and Section 2.1.5 with the appropriate documentation necessary for each such billing entity. UTMB shall respond to any notice of dispute within thirty (30) days of receipt of same. If UTMB's response indicates payment is expected for the amount(s) in dispute, the Hospital District shall have thirty (30) days from receipt of UTMB's response to either pay the disputed amount(s) or notify UTMB that the amount remains in dispute. If the amount remains in dispute, the dispute shall be resolved as set forth in section 4.3 below.

- 2.1.3 Payment of Invoices shall be made directly to the respective UTMB billing entities specified in Section 2.1.4 and Section 2.1.5.
- 2.1.4 Physician payments mailed to: UTMB Faculty Group Practice, P.O. Box 650859, Dept. 710 Dallas, TX 75265-0859.
- 2.1.5 Hospital payments mailed to: UTMB at Galveston, P.O. Box 650859, Dept. 710 Dallas, TX 75265-0859.
- 2.1.6 The Hospital District shall screen and register patients in accordance with the provisions of the Act and the Hospital District's internal procedures in advance of treatment.
- 2.1.7 The Hospital District shall provide each indigent patient with a card that identifies the patient as an Eligible Resident and contains the information in the form identified in Exhibit A.
- 2.1.8 The Hospital District agrees to refer Eligible Residents through its indigent health care office, by a physician designated by the Hospital District indigent health care office and/or by a designated third-party administrator as authorized by the Hospital District to make referrals.
- 2.1.9 The Hospital District shall complete the UTMB referral form as identified in Exhibit B in advance in order to authorize treatment for all Eligible Residents.
- 2.1.10 The Hospital District shall identify to UTMB the specific indigent health care officials who can authorize referrals and confirm Eligible Resident status, including the name, address and phone numbers of Hospital District officials or designated third party administrators for telephone eligibility verification and patient referral.

- 2.1.11 The Hospital District shall be solely responsible for arranging for any follow-up medical care or health care services to be performed by UTMB including referral form completion for Eligible Residents referred to UTMB.
- 2.1.12 The Hospital District shall ensure that the information contained in the referral form is accurate and complete and that all referrals contain a valid and unique authorization identifier for each Patient Encounter. An authorization identifier is required to evidence the guarantee of benefits, eligibility for the referral and payment for health care services provided by UTMB under this Contract
- 2.1.13 Services provided by UTMB, excluding the Medical Screening Examination performed on an Eligible Resident upon presentation at a UTMB emergency room, require pre-authorization. Hospital District is only obligated to pay for services specifically authorized under each Patient Encounter as outlined in Section 1.5, except as allowed under Section 2.1.14.
- 2.1.14 Hospital District agrees to pay for Emergency Care received by any Eligible Resident at the UTMB Emergency Room, including the Medical Screening Examination, without regard to prior authorization, at rates specified under this Contract. Any services provided that do not constitute Emergency Care will be subject to preauthorization by the Hospital District or Hospital District's designee. Hospital District acknowledges and understands that the UTMB Emergency Room may not offer Medical Screening Exams at such times that staffing needs do not allow. During such times, Eligible Residents who present to the Emergency Room will be treated by a physician provider. Preauthorization shall not be required for any Emergency Care provided. UTMB will continue to make reasonable efforts to refer Eligible Residents not requiring Emergency Care to the Hospital District's indigent care office or primary care clinic in accordance with the provisions of this Contract. In addition, patients who receive a Medical Screening Examination and are deemed to be non-emergent will be directed to the financial screening process before further care may be provided. During the financial screening process, UTMB will inform the patient that medical services in the UTMB Emergency Room that are deemed non-emergent as a result of the Medical Screening Examination, will be the responsibility of the patient to cover payment in full.
- 2.1.15 Hospital District acknowledges that the physician services in UTMB's Emergency Care unit are contracted with a third-party provider. Hospital District understands and agrees that a separate agreement may be executed between Hospital District and such third-party for the provision of Emergency Care physician services under terms and at rates to be determined under such separate agreement.
- 2.1.16 Hospital District or its designee agrees to promptly respond to a request from UTMB to authorize additional health care services not previously authorized or included under the Medical Screening Examination that are medically necessary when delaying such health care services may be harmful to the Eligible Resident. Hospital District or its designee shall utilize its best faith effort to respond within three (3) hours of UTMB's request to authorize

additional health care services. If UTMB does not receive a response from Hospital District within three (3) hours of UTMB's initial attempt to request authorization for services, UTMB will presume that Hospital District has authorized the additional services and will provide the additional services to Eligible Resident.

2.1.17 Hospital District or its designee agrees to notify UTMB by fax at (409) 747-0850 or other mutually agreeable electronic means, including email, when it disenrolls an Eligible Resident from the Hospital District's indigent health care program. Such notice shall be delivered within 72 hours of the effective date of the disenrollment, and shall include the name, date of birth, and social security number of the affected individual.

2.1.18 Hospital District agrees that it will not require Eligible Residents receiving health care services from UTMB under this Contract to obtain health care services outside of UTMB, including but not limited to radiology, electronic imaging, laboratory and pathology services in those instances where: (1) the Eligible Resident has been admitted to a UTMB facility as an in-patient; or (2) if in the opinion of a UTMB physician, the provision of services by a third party provider would significantly disrupt or impair the continuity of care provided to the Eligible Resident by UTMB. The parties acknowledge and understand that procedures requiring preauthorization are determined by Hospital District and specified in Exhibit C, as provided in Section 2.1.13 of this Contract. Except that, in cases where an Eligible Resident is referred to UTMB for neurology, orthopedic or neurosurgery services, the Hospital District must provide concurrent pre-authorization for both medically necessary radiology services and neurology, orthopedic or neurosurgery services.

2.2 **UTMB's responsibilities:**

2.2.1 At the time of referral of an Eligible Resident, UTMB agrees to provide health care services within the then current limits of its capacities and capabilities to the Hospital District's Eligible Residents at the authorized and agreed upon fee schedule attached as Exhibit D to this Contract.

2.2.2 UTMB agrees to submit Invoices on a timely basis to the Hospital District from each billing entity.

2.2.2.1 Invoices may be submitted either (i) electronically for each Patient Encounter of an Eligible Resident; or (ii) in a paper statement prepared on a monthly basis reflecting the accumulated amounts due to UTMB from the Hospital District for the Patient Encounters of all Eligible Residents during the previous month regardless of the date of a Patient Encounter. The Hospital District has elected the method of invoicing indicated on the signature page of this Contract. The Hospital District may change such election only upon written notification to UTMB at least sixty (60) days prior to the date requested for such change to take effect.

- 2.2.2.2 Invoices that are sent in electronic form will be sent within ninety-five (95) days of the date of each Patient Encounter. If submitted in paper statement form, the Invoice will include the amounts due to UTMB from the Hospital District for the Patient Encounters of all Eligible Residents accumulated during the previous month regardless of the date of a Patient Encounter, although the Invoice will be sent within one-hundred twenty-five (125) days of the date of any Patient Encounter included on the Invoice. Separate Invoices will be submitted for hospital and physician services.
- 2.2.3 UTMB agrees that it will not “balance bill” for health care services provided to those Eligible Residents who have the appropriate consultation form identified in Exhibit B. UTMB agrees to accept Hospital District’s payment as payment in full for health care services provided to Eligible Residents. In the event that Eligible Resident is entitled to payment for health care services from a third party payer, UTMB shall not demand from Hospital District any amount received by Hospital District for reimbursement from a third party payer. In the event that UTMB receives payment from both the Hospital District and a third party payer, UTMB agrees to refund the Hospital District for the amount received from the Hospital District. For purposes of accomplishing the intent of this section, the Hospital District assigns to UTMB its rights to collection for any third party claim for services rendered by UTMB to Eligible Residents. Refund should be submitted to the appropriate Hospital District within one hundred twenty (120) days of UTMB receipt of payment from third party payer.
- 2.2.4 UTMB agrees to make a best faith effort to provide discharge summaries and consultation reports, procedure and/or operative notes (and case notes, if requested by Hospital District) and consult notes for clinic services to the Hospital District’s referring physician. UTMB shall furnish such information to the Hospital District’s referring physician not later than ten (10) business days of the date of discharge of the patient. In addition, UTMB shall furnish the same information, as soon as practicable, upon request to the Hospital District’s indigent healthcare office or its assignee. In the event UTMB fails to provide such information as is required by this section on a timely basis for more than ten percent (10%) of the Hospital District’s patients treated at UTMB during any calendar month during the term of this Contract, then upon such failure of performance Hospital District may immediately institute the dispute resolution procedure set forth in section 4.3 below. UTMB agrees to provide copies of medical records under this section without charge. If additional copies of the same medical records are requested, whether in the same or subsequent request by Hospital District, Hospital District will pay for the additional copies at the rates then charged by UTMB for such copies under similar circumstances.
- 2.2.5 UTMB agrees to refer all Eligible Residents back to the Hospital District’s indigent care office for follow-up treatment of the referred condition.
- 2.2.6 UTMB Invoices shall include a CMS UB-04 for inpatient/hospital services and a CMS 1500 for outpatient/physician services. UTMB shall provide all

necessary documents in its possession to assist Hospital District in seeking reimbursement from other sources, including assignments for Medicaid eligible services provided to SSI Appellant Eligible Residents. If a Hospital District eligible patient is subsequently determined to be Medicaid eligible and Hospital District has already paid UTMB for services rendered to Medicaid eligible, the Hospital District will request a refund from UTMB. Once UTMB has been paid by Medicaid, UTMB will refund the money to the Hospital District.

- 2.2.7 UTMB agrees to use reasonable efforts to inform the Hospital District of the cumulative amount of all Invoices.
- 2.2.8 UTMB agrees to provide names, addresses, and phone numbers for personnel responsible for arranging for health care services under this Contract.
- 2.2.9 UTMB agrees to comply with Federal and State laws regarding Emergency Care. UTMB agrees to make reasonable efforts to refer Hospital District residents not requiring Emergency Care to the Hospital District's indigent health care office for referral in accordance with the provisions of this Contract.
- 2.2.10 UTMB provides professional liability insurance coverage for employed UTMB faculty, qualifying part-time contracted faculty, residents, and students through the University of Texas System Professional Medical Liability Benefit Plan (the "Plan") for claims arising from or related to acts and/or omissions occurring within the course and scope of their clinical, educational, and research duties and responsibilities. The plan provides coverage of \$500,000 per claim and \$1.5 million in annual aggregate and is an "incurred" plan and provides "tail" coverage. Within ten days of the execution of this contract, UTMB agrees to provide Hospital District evidence of current coverage under such policies and to immediately inform Hospital District of any actual or proposed material modification, cancellation, or termination of such insurance. Hospital District acknowledges that, as an agency of the State of Texas, UTMB's liability for the tortious conduct of UTMB employees or for injuries caused by conditions of tangible personal property is provided for by the provisions of the Texas Tort Claims Act (*Texas Civil Practice and Remedies Code, Chapters 101, 104, and 108*). Workers' Compensation Insurance coverage for employees of UTMB is provided by UTMB as mandated by the provisions of *Texas Labor Code, Chapter 503*.
- 2.2.11 UTMB agrees to allow Hospital District and/or its agent access to the medical and billing records of services provided under this Contract to Hospital District's Eligible Residents treated by UTMB for purposes of allowing Hospital District and/or its agent to conduct audits regarding medical necessity and/or billing accuracy. In such event, Hospital District shall provide notice not less than three (3) business days in advance of on-site visit and specify those records it desires to inspect and review. On-site visits will be conducted during normal business hours. Hospital District and/or its agent will adhere to all UTMB standard security requirements for premises access.

All costs of such audits shall be the responsibility of Hospital District. UTMB agrees to cooperate with Hospital District regarding such audit processes.

2.2.12 UTMB has the right to terminate the physician-patient relationship or the provision of non-emergent services to an Eligible Resident if a UTMB Physician determines that continuing the relationship or providing the requested services are not in the best interest of the Eligible Resident.

2.3 Health care services not UTMB's responsibility:

2.3.1 UTMB does not agree to provide Outpatient Pharmacy services.

2.3.2 UTMB does not agree to provide transportation to and from UTMB.

2.3.3 UTMB does not agree to provide take-home medical supplies.

2.3.4 UTMB does not agree to provide health care services via telemedicine.

2.3.5 UTMB does not agree to provide routine eye care and exams.

2.4 Health care services carve out:

2.4.1 Oncology Services - Under this Contract, UTMB agrees to accept the referral of an Eligible Resident to its oncology service for consultation only, and to provide a diagnostic evaluation and treatment plan for the Eligible Resident.

2.4.2 Invasive Cardiology/Cardiovascular Services - Under this Contract, UTMB agrees to accept the referral of an Eligible Resident to its invasive cardiology/cardiovascular service for consultation only, and to provide a diagnostic evaluation and treatment plan for the Eligible Resident. If the Hospital District requests UTMB to provide invasive cardiology/cardiovascular services as outlined in the treatment plan for the Eligible Resident, the Hospital District agrees to pay UTMB for a complete episode of care, as set forth in the treatment plan, based on the compensation amounts detailed in Exhibit D, Compensation Schedule, up to \$75,000.

If the Hospital District requests UTMB to provide oncology services as outlined in the treatment plan for the Eligible Resident, the Hospital District will be required to sign a separate one-time agreement with UTMB and agree to pay for a complete episode of care, as set forth in the treatment plan, based on the compensation amounts detailed in Exhibit D, Compensation Schedule, regardless of the Cap Out amount.

III. Warranties:

- 3.1 UTMB warrants that (1) the health care services to be performed hereunder are necessary and authorized for activities that are properly within its statutory functions and programs; (2) it has the authority to contract for the services under authority granted in Chapters 65 and 74, *Texas Education Code*, and Chapter 791, *Texas Government Code*; (3) it has all necessary power and has received all necessary approvals to execute and deliver this Contract, and (4) the representative signing this Contract on its behalf is authorized by its governing body to sign this Contract.
- 3.2 Hospital District warrants that (1) it has authority to perform the services under authority granted in Chapter 61, *Texas Health & Safety Code* and Chapter 791, *Texas Government Code*; (2) it has all necessary power and has received all necessary approvals to execute and deliver this Contract, and (3) the representative signing this Contract on its behalf is authorized by its governing body to sign this Contract.
- 3.3 UTMB, at all times during the existence of this Agreement, warrants that it will comply with and provide services in accordance with (i) all applicable federal, State, county and municipal laws, rules, ordinances and regulations as they relate to this Agreement; (ii) the standards of the Joint Commission; and (iii) all applicable UTMB policies, bylaws, rules and regulations, including UTMB's Compliance Program.

IV Miscellaneous:

- 4.1 **Term and Termination.** The term of this Contract shall be from **April 1, 2022 through March 31, 2023** regardless of the date of execution. Unless either party provides 60 days prior written notice of their intent not to renew, this Contract will automatically renew for one-year terms, subject to any applicable rate changes published by the Texas Health and Human Services Commission, which will be provided annually to the Hospital District in a manner and method mutually agreed upon between the parties. This Contract may be terminated at any time without cause by either party by giving thirty (30) days' written notice to the other party.

For continuation of care after the effective date of termination, the parties agree to cooperate to arrange for the prompt, medically appropriate transfer of Eligible Residents following termination of this Contract. In the case of inpatient services provided to Eligible Residents after the effective date of termination, except as may be required by the obligation of UTMB to continue care in the event of special circumstances, UTMB shall continue such care and be compensated by the Hospital District until the conclusion of the course of treatment. Such continued treatment shall be at the rates then in effect under this Contract. For outpatient treatment, the Hospital District agrees to move the Eligible Resident to a contracted provider unless both parties agree in writing to a short-term continuum of care plan. Services provided under this section, with accompanying requirements, survive the termination of Contract.

Hospital District may terminate this Agreement immediately upon any of the following occurrences: (i) loss of UTMB's Joint Commission accreditation; or (ii) loss of UTMB's Medicare certification.

4.2 **Jurisdiction/Venue.** This Contract shall be governed by and construed in accordance with the laws of the State of Texas, without regard to the conflicts of law provisions. The venue of any suit brought against UTMB arising under this Contract shall lie in a State District Court in Galveston County, Texas. Except as otherwise provided by applicable law, the venue of any suit brought against the Hospital District arising under this Contract is fixed in any court of competent jurisdiction in Nueces County, Texas. To the extent authorized under the laws and constitution of the State of Texas and the statutory duty of the Attorney General of Texas to manage any disputes involving UTMB, UTMB irrevocably waives any objection-including any objection to personal jurisdiction-it has or may have to the bringing of any action or proceeding in accordance with the foregoing, in respect of this Contract or any related document. **NOTHING IN THIS SECTION SHALL BE CONSTRUED AS A WAIVER OF IMMUNITY BY EITHER PARTY, BOTH OF WHICH ARE STATE OF TEXAS GOVERNMENT ENTITIES.**

4.3 **INDEMNITY**

UTMB, TO THE EXTENT AUTHORIZED UNDER THE LAWS AND CONSTITUTION OF THE STATE OF TEXAS, SHALL SAVE HARMLESS THE HOSPITAL DISTRICT AND ITS OFFICERS AND EMPLOYEES FROM ALL CLAIMS FOR DAMAGES BY PERSONS OR ENTITEIS NOT A PARTY TO THIS COTRACT, INCLUDING DAMAGES, OR OTHER AMOUNTS PAYABLE TO A THIRD-PARTY CLAIMANT, AS WELL AS ANY ATTORNEY'S FEES AND COSTS OF LITIGATION, INSOFAR AS SUCH CLAIMS ARE BASED ON ANY ACT OR OMISSION BY UTMB AT ANY TIME RELATING TO THIS CONTRACT.

NOTHING IN THIS PROVISION REQUIRES THAT FUNDS BE ASSESSED OR COLLECTED OR THAT A SINKING FUND BE CREATED.

4.4 **Dispute Resolution Procedure.** The parties agree to use the dispute resolution process provided for in Chapter 2260 of the Texas Government Code to attempt to resolve all disputes arising under this Contract. Either party must give written notice to the other party of a claim for breach of this Contract not later than the 180th day after the date of the event giving rise to the claim. By their execution of this Contract, the parties acknowledge and knowingly and voluntarily agree that neither the execution of this Contract; nor the conduct, act or inaction by any person in the execution, administration, or performance of this Contract constitutes or is intended to constitute a waiver of the other party's immunity from suit with respect to claims of third parties.

4.5 **Entire Agreement/Amendment.** This Contract constitutes the sole and only agreement of the parties hereto and supersedes any prior understandings, written or oral agreement between the parties respecting the subject matter herein. This Contract may be amended only in writing and signed by both parties within the contract period.

4.6 **HIPAA Obligation and Other Regulations Implementing the Health Insurance Portability and Accountability Act of 1996 (42 U.S.C. §1320(d) (“HIPAA”)).** To the extent either party comes into contact with information considered Individually Identifiable Health Information as defined by 42 U.S.C. §1320(d), Protected Health Information or Electronic Protected Health Information (collectively known as “Protected Information”) as regulated by the Department of Health and Human Services (DHHS) through the adoption of standards, 45 CFR Parts 160 and 164 (Privacy Rule) and 45 CFR Parts 160, 162 and 164 (Security Rule), collectively referred to as “the HIPAA Rules,” such party agrees to keep private and to secure any information considered Protected Information in accordance with federal law. Further, if the parties conduct any activities necessitating further assurances and protections related to patient information required under federal and/or state law, the parties shall enter into a Business Associate Agreement accordingly.

4.7 **Notices.** Except as otherwise provided in this section, all notices, consents, approvals, demands, requests or other communications provided for or permitted to be given under any of the provisions of this Contract shall be in writing and shall be deemed to have been duly given or served when delivered by hand delivery or when deposited in the U.S. mail by registered or certified mail, return receipt requested, postage prepaid, and addressed as set forth below or to such other person or address as may be given in writing by either party to the other in accordance with this Section:

UTMB: Executive Vice President
Business Development and Chief Strategy Officer
Office of the President
The University of Texas Medical Branch
301 University Blvd., Route 0129
Galveston, TX 77555-0129

Cc to: Senior Vice President & General Counsel
The University of Texas Medical Branch
301 University Blvd., Route 0124
Galveston, Texas 77555-0124
Fax: 409-787-8741

If to Nueces County Hospital District:
Jonny F. Hipp
Administrator/Chief Executive Officer
555 N. Carancahua Street, Suite 950
Corpus Christi, Texas 78401-0835
jonny.hipp@nchdcc.org
Fax: 361-808-3274

- 4.8 **State Auditor’s Office.** The parties understand that acceptance of funds under this Contract constitutes acceptance of the authority of the Texas State Auditor's Office, or any successor agency (collectively, “Auditor”), to conduct an audit or investigation in connection with those funds pursuant to Sections 51.9335(c), 73.115(c) and 74.008(c), Texas Education Code. The contracting parties agree to cooperate with the Auditor in the conduct of the audit or investigation, including without limitation providing all records requested. The contracting parties will include this provision in all contracts with permitted subcontractors.
- 4.9 **Assignment.** This Contract is not transferable or assignable except upon written approval by receiving party and performing party.
- 4.10 **Severability.** If any one or more of the provisions contained in this Contract shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision thereof, and this Contract shall be construed as if such invalid, illegal, or unenforceable provision had never been contained therein.
- 4.11 **Public Records.** It shall be the independent responsibility of UTMB and Hospital District to comply with the provisions of Chapter 552, *Texas Government Code* (the “*Public Information Act*”), as those provisions apply to the parties’ respective information. Neither party is authorized to receive public information requests or take any action under the *Public Information Act* on behalf of the other party.
- 4.12 **Force Majeure.** Neither UTMB nor Hospital District shall be required to perform any term, condition, or covenant of this Contract so long as such performance is delayed or prevented by acts of God, material or labor restrictions by any governmental authority, civil riot, floods, hurricanes, or other natural disasters, and any other cause not reasonably within the control of UTMB or Hospital District and that by the exercise of due diligence UTMB or Hospital District is unable, wholly or in part, to prevent or overcome.

IN WITNESS WHEREOF, each of the parties agrees to the terms of this Contract and has caused this Contract to be executed by its duly authorized representative to be effective as of the Effective Date noted herein.

**NUECES COUNTY
HOSPITAL DISTRICT**

**THE UNIVERSITY OF TEXAS MEDICAL
BRANCH AT GALVESTON**

By: _____

By: _____

Name: Jonny F. HippC.

Aaron LeMay, CPA, JD, MSED
Interim, Chief Business and Finance Officer
VP, Financial Accounting & Reporting
and Reporting

Title: Administrator/Chief Executive Officer

Date: _____

Date: _____

Attest: _____

Content Reviewed _____

Election by County as to Method of Invoicing (please initial one):

_____ **Paper Monthly Statement**

_____ **Electronic**

Exhibit A
Eligible Resident Identification Card

Card

Hospital District Indigent Care Card	
No.	_____
Effective Date:	_____
Expiration Date:	_____
Hospital District Identification No:	_____
Coverage:	_____
Name:	Mr/Mrs. County Resident
Address:	1313 Main Street Your City, Texas 00000
Telephone:	409-555-5555
Date of Birth:	<u>10-23-1949</u>
Primary Care Provider:	_____
<i>Signature</i> _____	
Hospital District Indigent Care Coordinator	
<i>Signature</i> _____	
Hospital District Indigent Patient's Signature	
Patient Must Present This Card at Time of Registration.	
This card is not an evidence of eligibility for benefits. Determination of eligibility will be established through the Hospital District Indigent Care Coordinator's Office.	

Cards are to be created by the Hospital District.
Each card should have a unique number assigned as a security precaution and tracking mechanism.
Each card should have an original signature by the appropriate representative of the Hospital District.
Each card should have an original signature by the resident.
Each covered family member should have their own card issued. This would replace existing letters.

Exhibit B
UTMB Clinical Information - Referral Form

Form Initiated By: Office of County Affairs [] Date: _____
County or Hospital District []

Please Print Legibly

County / Hospital District Name: REQUIRED Phone: _____ Fax: _____

Referring County Physician: REQUIRED Phone: REQUIRED Fax: REQUIRED

Referring Physician Address: REQUIRED City: REQUIRED Zip: REQUIRED

Select Appropriate Request / Approval for: Procedure [] Referral []
Consultation [] More Visits []

Authorization #: REQUIRED Auth Expiration Date: _____ No. of Visits Approved: _____

Authorized By: _____ Date: _____

Please attach any related images/labs along with this referral

Patient Name: REQUIRED Phone: _____

DOB: REQUIRED Patient SSN: REQUIRED

Procedure/Service Requested: _____

_____ CPT: _____

Diagnosis: _____ ICD-10: _____

Symptoms: _____

Previous Treatments: _____

Current Medications: _____

Treatment Plan: _____

Pertinent History: _____

Has the patient applied for: Medicaid: Y / N SSI: Y / N Initiated At: UTMB / County

UTMB Physician: _____ Clinic: _____

Appointment Date: _____ Appointment Time: _____

Phone: (409) 747-5100 Fax: (409) 747-0850

Affix Label / Write in Patient Information:

Name: _____

UH#: _____

Clinic Information/Referral Form

The University of Texas Medical Branch
Galveston, Texas

Requesting County

Patient Information

Office of
County
Affairs

Exhibit C
Procedures Requiring Preauthorization

Services provided by UTMB require preauthorization, except the Medical Screening Examination performed on an Eligible Resident upon presentation at a UTMB emergency room. The following services require preauthorization:

INPATIENT SERVICES:

- Inpatient Admissions / Acute care hospitalization
- Skilled Nursing Facility

OUTPATIENT SERVICES:

- Surgeries or procedures requiring conscious sedation or general anesthesia performed in a physician's office, free standing surgery center, ambulatory surgery center, or hospital based surgery center
- CT Scan
- Echocardiogram
- MRI/MRA
- Nuclear Studies/Imaging
- PET Scan
- Physical Therapy
- Speech Therapy
- Occupational Therapy
- Hyperbaric Treatments- *only in special circumstances*
- Infusion Treatment
- Oral Surgery - *only in special circumstances*
- *Durable Medical Equipment limited to Home Oxygen Equipment*
- *Diabetic Supplies*
- *Home and Community Health Care*

EXHIBIT D
Compensation Schedule

- Inpatient Services:** Hospital District agrees to pay for authorized Inpatient Services in accordance with Texas Medicaid allowable In-Patient TEFRA rate calculated from UTMB's most recent cost report. Payments for services rendered will be in accordance with UTMB's facility specific current TEFRA In-Patient Percentage of current billed charges.
- Outpatient Services:** Hospital District agrees to pay for authorized Outpatient Services in accordance with Texas Medicaid allowable Out-Patient TEFRA rate calculated from UTMB's most recent cost report. Payments for services rendered will be in accordance with UTMB's facility specific current TEFRA Out-Patient Percentage of current billed charges.
- Outpatient Surgery:** Hospital District agrees to pay authorized Outpatient Surgeries in accordance with UTMB's then TEFRA Out-Patient Percentage.
- Implants:** Hospital District agrees to pay for authorized implants at 33% of UTMB's billed charges.
- Outpatient Laboratory Services:** Hospital District agrees to pay authorized Outpatient Laboratory Services in accordance with UTMB's current TEFRA Out-Patient Percentage of billed charges.
- Professional Services:** Hospital District agrees to pay all authorized physician services, except Anesthesia services reimbursed per ASA unit, at 120% of the current Texas Medicaid Reimbursement Methodology. If the Center for Medicare and Medicaid, the state of Texas or any other governmental agency with governing authority reduces the Texas Medicaid Reimbursement Methodology during the term of this agreement, the parties hereto will increase the physician payment rates in equal proportion to offset the reduction.
- Mid-Level Providers:** Hospital District agrees to pay all covered mid-level provider services at 95% of the physician payment rates listed above under Professional Services.
- Anesthesia:** Hospital District agrees to pay \$55 per ASA unit, based on current ASA units and 15 minute time units.

[EXHIBIT D CONTINUES NEXT PAGE]

Any outpatient fees not otherwise defined: Hospital District agrees to pay 33% of UTMB's billed charges.

Limit on Charge Master Increases. UTMB is limited to an aggregate increase during the one-year term of this Contract not to exceed eight percent (8%) for all charges submitted that are reimbursed on a percentage of billed charges, excluding medical supplies and pharmaceuticals. Medical supplies shall include but not be limited to: implants, prosthetics, orthotics and stents. If during the term of this Contract UTMB has an aggregate increase in its charge master greater than eight percent (8%), UTMB agrees to adjust the percentage rate of billed charges set forth in Exhibit D such that Hospital District does not pay an amount that exceeds the eight percent (8%) cap on the increase in UTMB's charge master.