

MEMORANDUM OF UNDERSTANDING

BETWEEN

BRAZOS COUNTY

AND

ST. JOSEPH SERVICES CORPORATION

THIS MEMORANDUM OF UNDERSTANDING (“MOU”) is entered into by and between Brazos County (“County”) and St. Joseph Services Corporation d/b/a CHI St. Joseph Health System for its non-profit hospital, St. Joseph Regional Health Center d/b/a CHI St. Joseph Health Regional Hospital (“Hospital”).

WHEREAS, Hospital is a nonprofit hospital that provides a disproportionate share of healthcare services to the Medicaid population in addition to supporting programs that benefit the indigent, uninsured, or underinsured population in the state of Texas;

WHEREAS, Hospital desires to participate in the federal drug discount program established under Section 340B of the Public Health Services Act (the “340B Program”), which is administered by the Office of Pharmacy Affairs (“OPA”);

WHEREAS, in order to participate in the 340B Program, OPA requires Hospital to enter into an agreement with a unit of the state or local government under which Hospital commits to continue providing health care services to low-income individuals who are neither entitled to benefits under Title XVIII of the Social Security Act nor eligible for assistance under the State plan of Title XIX under this Act;

WHEREAS, Hospital desires to evidence the Hospital’s continuing commitment to provide health care services to low-income individuals of the County; and

WHEREAS, County acknowledges that hospital has been providing such services, and recognizes Hospital’s commitment to continue to provide services to the citizens of Brazos County.

NOW, THEREFORE, in consideration of the mutual agreements and covenants contained herein and for other good a valuable consideration, the receipt and sufficiency of which hereby are acknowledged, it is mutually agreed and covenanted, under seal, by and between the parties to this Agreement, as follows:

1. **Hospital Commitment to Provide Indigent Care.** Throughout the term of this MOU, Hospital agrees to continue its historic commitment to the provision of health care to indigent, uninsured, and underinsured residents of Brazos County, Texas. For instance, Hospital submits that in 2018, this commitment totaled approximately \$165,000,000 in lost charges. Pursuant to this commitment, it is the intention of Hospital that indigent care provided during the term of this MOU will range generally between \$150 and \$200 million annually. In any event, Hospital will continue to ensure that all patients receive necessary health services, as required by law, regardless of ability to pay.
2. **Acceptance and Acknowledgments of County.**
 - a. County accepts Hospital’s commitment as set forth above; and

b. Upon request by Hospital or by OPA on Hospital's behalf, County will complete the certification/acknowledgment process required by OPA to verify that the parties have entered into this MOU.

3. **Term and Termination.** This MOU shall become effective on the date last signed by both parties, and shall remain in effect until terminated by County or by Hospital. Either party may terminate the MOU at any time by providing the other party at least thirty (30) days' prior written notice of termination.

4. **Notices.** Any notice required or permitted hereunder shall be deemed given when delivered by hand or sent by registered or certified mail, return receipt requested, addressed as follows:

If to County—

Brazos County
Attn: Duane Peters, County Judge
200 S. Texas Ave., Suite 332
Bryan, TX 77803

If to Hospital—

CHI St. Joseph Health System
Attn: Chief Financial Officer
2801 Franciscan Dr.
Bryan, TX 77802

With a copy by regular U.S. mail to—

CHI Texas Legal Services
Attn: Regional General Counsel
6624 Fannin, Suite 2505
Houston, TX 77030

5. **Governing Law.** This MOU shall be governed by and construed in accordance with the laws of the state of Texas.

6. **Non-Exclusivity.** This MOU is not an exclusive arrangement, and shall not be construed as preventing County from entering into the same or similar agreements or arrangements with other health care facilities, whether for 340B Program or otherwise.

IN WITNESS WHEREOF, the parties have executed this MOU as set forth below.

By: _____

By: _____

Print name: _____

Print name: _____

Title: _____

Title: _____

Date: _____

Date: _____