

MEMORANDUM OF UNDERSTANDING

BETWEEN

*City of Fort Bragg*

AND

*Adventist Health Mendocino Coast*

**THIS AGREEMENT** is made this 14th day of September 2020 by and between ("The City of Fort Bragg"), located at 416 N. Franklin Street, Fort Bragg CA 95437, Adventist Health Mendocino Coast (AHMC), a non-profit corporation organized and existing under the laws of the State of California, located at Fort Bragg, CA.

**RECITALS:**

**WHEREAS**, AHMC is a CA not-for-profit 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 California;

**WHEREAS**, AHMC desires to participate in the drug discount program established under Section 340B of the Public Health Services Act (the "340B Program");

**WHEREAS**, in order to participate in the 340B Program AHMC must enter into an agreement with a unit of the local government pursuant to which AHMC commits to provide 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**, AHMC desires to make such a formal commitment to the City of Fort Bragg, and

**WHEREAS**, the City of Fort Bragg agrees to accept such commitment on behalf of the citizens of Fort Bragg, CA.

**NOW, THEREFORE**, in consideration of the mutual agreements and covenants contained herein, it is mutually agreed and covenanted, by and between the parties to this Agreement, as follows:

**1. Commitment of AHMC to Provide Indigent Care.**

During the term of this Agreement, AHMC agrees to continue its historic commitment to the provision of health care to indigent, uninsured and underinsured residents of Fort Bragg, CA. During the fiscal year 2018-2019, this commitment was at least \$2 million in charity care. Pursuant to its commitment to continue to provide indigent care, it is AHMC's intention that indigent care provided during the term of this MOU will be consistent with its historical commitment, at minimum of \$1 million per year. In any event, AHMC will ensure that all patients presenting to its Emergency Department shall continue to receive necessary care, as required by law, regardless of ability to pay.

**2. Acceptance and Acknowledgements of the City of Fort Bragg**

- (a) The City of Fort Bragg accepts the commitment of AHMC set forth above;
- (b) The City of Fort Bragg acknowledges that the healthcare services provided by AHMC are being provided 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; and
- (c) The City of Fort Bragg authorizes AHMC to submit the attached certification in support of AHMC's application to enroll in the 340B program.

**3. Representations of AHMC.**

AHMC represents that as of the date hereof:

- (a) AHMC constitutes a corporation duly organized and validly existing in good standing under the laws of the State of California with the corporate power and authority to enter into and perform its obligations under this Agreement; and

**Term and Termination.** The term of this Agreement shall commence on the date first above written and shall continue until terminated by either party upon not less than sixty (60) days prior written notice to the other party.



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

Sent to:

City of Fort Bragg  
Attention: Tabatha Miller,  
City Manager  
Fort Bragg, CA 95437

Sent to:

Adventist Health Mendocino Coast  
Attention: Judy Leach  
President  
700 River Drive  
Fort Bragg, CA 95437

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

IN WITNESS WHEREOF, AHMC and the City of Fort Bragg have executed this Agreement as of the day and year first written above by their duly authorized representatives.

For Adventist Health Mendocino Coast

Judy Lewis 9-14-2020

For City of Fort Bragg

Tabatha Miller 9-14-2020

Tabatha Miller, City Manager

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