

ST. TAMMANY PARISH COUNCIL

RESOLUTION

RESOLUTION COUNCIL SERIES NO: C-4864

COUNCIL SPONSOR: MSSRS. THOMPSON / TANNER

PROVIDED BY: STPH/COUNCIL ATTORNEYS

RESOLUTION SUPPORTING ST. TAMMANY PARISH HOSPITAL SERVICE DISTRICT NO. 1, DOING BUSINESS AS ST. TAMMANY PARISH HOSPITAL, UTILIZING A PROPERTY WITHIN THE BOUNDARIES OF ST. TAMMANY PARISH HOSPITAL SERVICE DISTRICT NO. 2, DOING BUSINESS AS SLIDELL MEMORIAL HOSPITAL.

WHEREAS, St. Tammany Parish Hospital Service District No. 1 ("District 1"), d/b/a St. Tammany Parish Hospital ("STPH"), and St. Tammany Parish Hospital Service District No. 2 ("District 2"), d/b/a Slidell Memorial Hospital ("SMH"), operate under Special Act 180 of 1984 of the Louisiana Legislature, as amended ("Act 180"); and

WHEREAS, Act 180 provides that the area of District 1 is Wards 1, 2, 3, 4, 5 and 10 of St. Tammany Parish, and the area of District 2 is Wards 6, 7, 8 and 9 of St. Tammany Parish; and

WHEREAS, District 1 desires to participate in the shared utilization of the property formerly owned by "Louisiana Medical Center and Heart Hospital, LLC" which was acquired on May 26, 2017 by Stirling Medical Lacombe, LLC and which has been leased by it to Ochsner Clinic Foundation, which utilization by District 1 is intended to consist of business and technical support functions and post-acute care functions including, but not limited to, inpatient rehabilitation; and

WHEREAS, the Former Heart Hospital Property is located within the boundaries of District 2, on Louisiana Highway 434 near its intersection with Interstate 12, Ward 7, and is described in Instrument No. 2064806 of the records of St. Tammany Parish, Louisiana, being the acquisition of Stirling Medical Lacombe, LLC from Louisiana Medical Center and Heart Hospital, LLC; and

WHEREAS, the shared utilization of the Former Heart Hospital Property for Post Acute Care Functions requires the consent of District 2, and District 1 further desires the support of the St. Tammany Parish Council therefor; and

WHEREAS, the shared utilization by District 1 of the Former Heart Hospital Property, located within the boundaries of District 2, may not require the consent of St. Tammany Parish Government, but District 1, nevertheless, desires support of the St. Tammany Parish Council therefor; and

WHEREAS, District 1's intended participation and use of the Former Heart Hospital Property for Post-Acute Care Functions may be through a cooperative endeavor agreement (CEA), joint venture or limited liability company with others, including District 2, on terms and conditions to be determined, that must be acceptable to District 2 in its discretion; and

WHEREAS, District 2 has obtained certain assurances from Ochsner Clinic Foundation and Ochsner Health Systems with respect to District 2's participation in Post Acute Care Functions at the Former Heart Hospital Property, and the Board of Commissioners of District 2 has adopted a resolution approving District 1's participation in a CEA or venture regarding Post Acute Care Functions at the Former Heart Hospital Property, subject to District 2's right to participate in such CEA or venture on terms acceptable to District 2.

THE PARISH OF ST. TAMMANY HEREBY RESOLVES that the foregoing recitals are hereby incorporated and adopted as if fully re-written and re-stated herein, and that it desires to hereby express its support to St. Tammany Parish Hospital Service District No. 1, doing business as St. Tammany Parish Hospital, utilizing a property within the boundaries of St. Tammany Parish Hospital Service District No. 2, doing business as Slidell Memorial Hospital, for participation by District 1 in providing business and technical support functions and post-acute care functions including, but not limited to, inpatient

rehabilitation within the Former Heart Hospital Property, acquired by Stirling Medical Lacombe, LLC and leased by it to Ochsner Clinic Foundation.

THIS RESOLUTION HAVING BEEN SUBMITTED TO A VOTE, THE VOTE THEREON WAS AS FOLLOWS:

MOVED FOR ADOPTION BY: _____ SECONDED BY: _____

YEAS: _____

NAYS: _____

ABSTAIN: _____

ABSENT: _____

THIS RESOLUTION WAS DECLARED ADOPTED ON THE 7 DAY OF SEPTEMBER, 2017, AT A REGULAR MEETING OF THE PARISH COUNCIL, A QUORUM OF THE MEMBERS BEING PRESENT AND VOTING.

STEVE STEFANCIK, COUNCIL CHAIRMAN

ATTEST:

THERESA L. FORD, COUNCIL CLERK

**RESOLUTION OF THE
BOARD OF COMMISSIONERS OF
ST. TAMMANY PARISH HOSPITAL SERVICE DISTRICT NO. 2
doing business as
SLIDELL MEMORIAL HOSPITAL**

A regular meeting of the Board of Commissioners of St. Tammany Parish Hospital Service District No. 2, doing business as Slidell Memorial Hospital (the "District"), was held on June 26, 2017, at which meeting a quorum was present and voting.

RECITALS:

The District entered into a Joint Operating Agreement (the "JOA") with Ochsner Clinic Foundation ("OCF") and Ochsner Health System ("OHS") (collectively, "Ochsner") for the clinical and financial integration of Slidell Memorial Hospital and Ochsner Medical Center-Northshore and the coordinated operation of all assets of the parties in East St. Tammany Parish ("JOA Coordinated Operations").

Ochsner has entered into a joint operating agreement ("STPH JOA") with St. Tammany Parish Hospital Service District No.1, d/b/a St. Tammany Parish Hospital ("STPH").

Ochsner has entered into negotiations with outside parties for the operation of various post-acute care facilities in the building formerly housing Louisiana Medical Center and Heart Hospital in Lacombe, Louisiana. The proposed location is within the boundaries of the District. STPH has expressed interest in participating in the potential post-acute care facilities. All of the potential facilities are considered New Healthcare Activities of the JOA Coordinated Operations under the JOA and will require approval of the District as additional information is available and presented to the District.

Ochsner has made assurances to the District that Ochsner will guarantee that SMH will have an equity position in each potential post-acute care venture, that Ochsner will not terminate the leases to the ventures if the JOA terminates, and that Ochsner will not operate the former site of the Louisiana Medical Center and Heart Hospital as an acute care hospital without the consent of the District.

Pursuant to Louisiana law governing service district hospitals (R.S. 46:1051 et seq.), STPH cannot own or operate medical facilities in the service area of another service district hospital without the permission of the other hospital service district. STPH has requested permission from the District to allow its participation in the proposed post-acute care ventures within the service area of the District.

If and when the District approves the potential post-acute care ventures, the District is not opposed to the participation of STPH in the proposed post-acute care ventures.

The structure and details of the proposed ventures are not finalized and the District may or may not directly participate as a part owner in any proposed facility; however, the facilities, or a portion of same, shall be considered a part of the JOA Coordinated Operations. The District desires to reserve its rights to approve and participate in the proposed ventures on terms and conditions to be presented to, and approved by, the Board of Commissioners of the District.

RESOLVED, that the Board of Commissioners, based on the assurances of Ochsner, hereby approves the participation of STPH in any post-acute care ventures approved by the District located in the building formerly housing Louisiana Medical Center and Heart Hospital, reserving to the District, or its designated entity, the right to participate as part owner in the proposed ventures after all terms and conditions of such participation are presented to the Board of Commissioners for approval.

CERTIFICATE

I, Walter J. Lane, Secretary of St. Tammany Parish Hospital Service District No. 2, doing business as Slidell Memorial Hospital, certify that the foregoing is a true, accurate and correct excerpt from the minutes of the regular meeting of the Board of Commissioners held on the 26th day of June, 2017, which meeting was duly called and convened and at which meeting a quorum was present and voting.

Slidell, Louisiana, this 26th day of June, 2017.



Walter J. Lane, Secretary