

COOPERATIVE AGREEMENT

THIS AGREEMENT, made by and between **JACKSON COUNTY, MISSOURI**, a Constitutional Home Rule Charter County of the First Class of the State of Missouri, hereinafter referred to as "the County" and a Missouri not-for-profit corporation, **THE CHILDREN'S MERCY HOSPITAL, 2401 GILLHAM ROAD, KANSAS CITY, MO 64108**, hereinafter referred to as "Hospital".

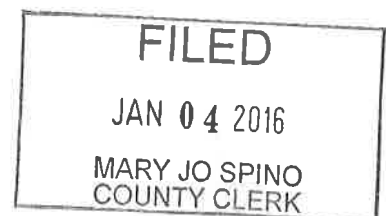
WHEREAS, the County and Hospital desire to enter into an Agreement to provide funding to be used for pediatric healthcare services; and,

WHEREAS, the County deems it to be in the best interest of its citizenry to support such programs and activities; and,

NOW THEREFORE, in consideration of the foregoing and the terms and provisions herein contained, the County and Hospital respectively promise, covenant, and agree with each other as follows:

NOW, THEREFORE, it is agreed by and between the parties as follows:

1. Services. Hospital shall provide pediatric healthcare primarily for indigent, uninsured, and underinsured families, as is more fully set out in the proposal attached hereto as Exhibit A and incorporated herein by reference. The budget Hospital submitted as part of Exhibit A is considered final and non-changeable. If Hospital encounters unforeseen circumstances that require a change to Hospital's budget, Hospital shall submit a written request to the Jackson County Legislative Auditor's no later than October 30, 2015. Any changes to the budget must be approved by the Jackson County Legislature.



2. **Terms Of Payment.** The County agrees to pay Hospital the total amount of **\$100,000.00** in quarterly installments of **\$25,000.00**, with the payment for the first and second quarters to be made upon execution of this Agreement. The remaining payments shall be made upon the County's receipt of the reports as set forth in paragraph 3 hereof. The County reserves the right to audit all invoices and to reject any invoice for good cause. The County retains the right to deduct from an invoice of Hospital any overpayment made by the County on a prior invoice. The County retains the right to make invoice corrections/changes. The County will not reimburse sales tax expense.

3. **Reports/Other Documentation.** Within 30 days after the conclusion of each calendar quarter under this Agreement, Hospital shall submit a quarterly report, confirming, and any other documents requested by the Director of Finance and Purchasing, to establish that the funds provided pursuant to this Agreement were used for the purposes set forth herein. The report for the first and second quarters shall be submitted within 30 days after the execution of this Agreement. The last quarter's report shall include an annual report which shall summarize all of Hospital's activities pursuant to this Agreement. Hospital's failure to submit this annual report shall disqualify Hospital from future funding by the County.

Hospital must notify the County in writing on Hospital's letterhead, within five working days of the following changes:

- a. Hospital name, address, telephone number, administration, or board of directors
- b. Hospital funding that will affect the program under this contract
- c. Liability insurance coverage

- d. Management or staff responsible for providing services pursuant to this contract
- e. Any proposed or actual merger or acquisition either taken by the Hospital or toward the Hospital

4. **Submission Of Documents.** No payment shall be made under this Agreement unless Hospital shall have submitted to the County's Director of Finance and Purchasing: (1) a written proposal setting out in detail the intended use of the County's funding, including the target population to be served; (2) Hospital's IRS Form 990 from the previous fiscal or calendar year; (3) a statement of Hospital's total budget for its most recent fiscal year; and (4) a detailed explanation of actual expenditures of the County's funds (pertains to final payments and payments on contracts for future years). If Hospital has previously received funding from the County, to be eligible for future payments, Hospital must submit either an audited financial statement for Hospital's most-recent fiscal or calendar year by March 31 of the following year, or a certified public accountant's program audit of the County's funds by January 31 of the following year. Any documents described herein which were submitted to the Director of Finance and Purchasing as a part of an application for funding need not be resubmitted to qualify for payment. No payment shall be made if Hospital is out of compliance on any other County contract, or has not paid county taxes on all properties owned by Hospital and assessed by the County.

5. **Equal Opportunity.** Hospital shall maintain policies of employment as follows:

- A. Hospital shall not discriminate against any employee or applicant for employment because of race, religion, color, sex, age, disability, or national

origin. Hospital shall take affirmative action as set forth to ensure that applicants for employment are treated without regard to their race, religion, color, sex, age, disability, or national origin. Such action shall include, but not be limited, to the following: recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Hospital agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the policies of non-discrimination.

B. Hospital shall, in all solicitation or advertisements for employees placed by them or on their behalf, state that all qualified applicants will receive consideration for employment without regard to race, religion, color, sex, age, disability, or national origin.

6. **Employment Of Unauthorized Aliens Prohibited.** Pursuant to §285.530.1, RSMo, Hospital assures that it does not knowingly employ, hire for employment, or continue to employ an unauthorized alien to perform work within the State of Missouri and/or Jackson County, and shall affirm, by sworn affidavit and provision of documentation, its enrollment and participation in a federal work authorization program with respect to the employees working in connection with the contracted services. Further, Hospital shall sign an affidavit, attached hereto and incorporated herein as Exhibit B, affirming that it does not knowingly employ any person who is an unauthorized alien in connection with the contracted services.

7. **Audit.** The parties agree that the County may, for any reason and at any given time, examine and audit the books and records of Hospital pertaining to this

Agreement. The forms used to document expenditure of these funds may be changed from time to time by the County.

8. **Default.** If Hospital shall default in the performance or observation of any covenant, term or condition herein contained to be performed by Hospital, the County shall give Hospital ten days written notice, setting forth the default. If said default shall continue and not be corrected by Hospital within ten days after receipt of notice from the County, the County may, at its election, terminate this Agreement and withhold any payments not yet made to Hospital. Said election shall not, in any way, limit the County's rights to sue for breach of this Agreement.

9. **Appropriation Of Funds.** Hospital and the County recognize that the County intends to satisfy its financial obligation to Hospital hereunder out of funds annually appropriated for that purpose by the County. County promises and covenants to make its best efforts to appropriate funds in accordance with this Agreement. In the event no funds or insufficient funds are appropriated and budgeted, or are otherwise unavailable by any means whatsoever for payment due hereunder, County shall immediately notify Hospital of this occurrence and this Agreement shall terminate on the last day for which appropriations were received, without penalty or expense to the County of any kind whatsoever, except as to the portions of the payment amounts herein agreed upon for which funds shall have been appropriated and budgeted or are otherwise available, or at any time after the last date that County has paid for the Services, if earlier.

County further agrees:

A. That any funds authorized or appropriated for services rendered under this Agreement shall be applied to the payments hereunder until all such funds are exhausted.

B. That County will use its best efforts to obtain authorization and appropriation of such funds including, without limitation, the inclusion in its annual budget, a request for adequate funds to meet its obligation under this Agreement in full.

10. **Conflict Of Interest.** Hospital warrants that no officer or employee of the County, whether elected or appointed, shall, in any manner whatsoever, be interested in or receive any benefit from the profits or emoluments of this Agreement.

11. **Severability.** If any covenant or other provision of this Agreement is invalid, or incapable of being enforced by reason of any rule of law or public policy, all other conditions and provisions of this Agreement shall, nevertheless, remain in full force and effect; and no covenant or provision shall be deemed dependent upon any other covenant or provision unless so expressed herein.

12. **Indemnification.** Hospital shall indemnify, defend and hold the County harmless from any and all claims, liabilities, damages, and costs (including reasonable attorney's fees directly related thereto) including but not limited to violation of civil rights and/or bodily injury to or death of any person and for damage to or destruction of property if and to the extent caused by the negligence, willful misconduct or omissions of Hospital during the performance of this Agreement.

13. **Insurance.** Hospital shall maintain the following insurance coverage during the term of this Agreement.

A. Hospital shall maintain Commercial General Bodily Injury and Property Damage Liability insurance, each in a combined single limit of One Million Dollars (\$1,000,000) each occurrence for bodily injury and property damage liability.

B. Hospital shall maintain, if any motor vehicles are used in the performance of the Services, Commercial General Bodily Injury and Property Damage Liability insurance, and Automobile Liability insurance including owned, non-owned, or hired vehicles, each in a combined single limit of One Million Dollars (\$1,000,000) each occurrence for bodily injury and property damage liability.

C. Hospital agrees to provide the County with certificates of insurance evidencing the above described coverage prior to the start of Services, and annually thereafter, if required by the County. Such certificates shall provide that the applicable insurance policies have been endorsed to provide a minimum of thirty days advance notice to the County in the event of cancellation, non-renewal, or reduction in limits by endorsement.

14. **Term.** The term of this Agreement shall commence January 1, 2015, and shall continue until December 31, 2015, unless sooner terminated pursuant to paragraph 8, 15, or 19 hereof. If this Agreement is terminated by either party, the County shall pay only for those services actually performed by Hospital as verified by the County's audit.

15. **Termination.** This Agreement may be terminated for any reason or no reason by either of the parties upon thirty (30) days' written notice to the other party's

designated fiscal representative. All services and payments shall continue through the effective date of termination. Termination of this Agreement shall not constitute a waiver of the rights or obligations which the County or Hospital may be entitled to receive as provided in this Agreement, or be obligated to perform under this Agreement for services prior to the date of termination. Should this Agreement terminate, all County written materials of any kind must be delivered and returned by Hospital to the County within ten (10) days of the termination of this Agreement.

16. **Standard Of Care.** Hospital shall exercise the same degree of care, skill, and diligence in the performance of the Services as is ordinarily possessed and exercised by professionals operating under similar circumstances.

17. **Financial Contact.** Hospital shall designate a fiscal representative to act as a liaison between the parties to resolve any problems, complaints, or special circumstances encountered in the billing of the services agreed upon here.

Fiscal Representative
Q. Troy Thomas
415 E. 12th Street, Suite 100
Kansas City, MO 64106

The Children's Mercy Hospital
Stephanie Seger
2401 Gillham Road
Kansas City, MO 64108
(816) 701-4363

18. **Compliance.** The performance of this Agreement shall be subject to review by the County. The County Compliance Review Officer shall review this contract according to his responsibilities as set out in Chapter 6 of the Jackson County Code. Hospital shall file quarterly compliance reports as required by the County Compliance Review Office. The County warrants that all books, records, accounts, and any other documents in the possession of the County relating to this Agreement are public

records open for inspection in accordance with Chapter 610, RSMo.

19. **Remedies For Breach.** Hospital agrees to faithfully observe and perform all of the terms, provisions, and requirements of this Agreement, and Hospital's failure to do so constitutes a breach of this Agreement. In such event, Hospital consents and agrees as follows:

A. The County may, with prior written notice to Hospital, immediately terminate this Agreement; and

B. The County shall be entitled to collect from Hospital all payments made by the County to Hospital for which Hospital has not yet rendered services in accordance with this Agreement, and to collect the County's reasonable attorney's fees, court costs and service fees if it is necessary to bring action to recover such payments.

20. **Transfer And Assignment.** Hospital shall not assign or transfer any portion or the whole of this Agreement without the prior written consent of the County.

21. **Organization Identity.** If Hospital is merged or purchased by another entity, the County reserves the right to terminate this Agreement. Hospital shall immediately notify the county in the event it is merged or purchases by any other entity.

22. **Confidentiality.** Hospital's records concerning the identities of those participating in its programs shall be strictly confidential; the County shall be entitled to examine said records in performing its audit and review functions, but shall not disclose said identities to any third party in any fashion.


23. **Incorporation.** This Agreement incorporates the entire understanding and agreement of the parties.

IN WITNESS WHEREOF, the County and Hospital have executed this Agreement this 4th day of January, 2015.

APPROVED AS TO FORM:

JACKSON COUNTY, MISSOURI



W. Stephen Nixon
County Counselor

By 
Michael D. Sanders
County Executive

ATTEST:

THE CHILDREN'S MERCY HOSPITAL


Mary Jo Spino
Clerk of the Legislature

By 
Title President & CEO
Federal Tax I.D. 44-060573

REVENUE CERTIFICATE

I hereby certify that there is a balance otherwise unencumbered to the credit of the appropriation to which this Agreement is chargeable, and a cash balance otherwise unencumbered in the treasury from which payment is to be made, each sufficient to meet the obligation of \$100,000.00, which is hereby authorized.

December 23, 2015
Date


Director of Finance and Purchasing
Account No. 002-7401-56789

7C 74012015001



OUTSIDE AGENCY FUNDING REQUEST FORM 2015 BUDGET

415 E 12th Street, 2nd Floor
Kansas City, MO 64106
Email: auditor@jacksongov.org

Section A: Organization or Agency Information	page 1
Section B: Agency's 2014 and 2015 Revenue Information	page 2
Section C: Jackson County Program Budget Request	page 3
Section D: Program Information	pages 4 - 8

Section A: Organization or Agency Information	
Name:	The Children's Mercy Hospital
Address:	2401 Gillham Road, Kansas City, MO
Zip Code:	
Phone No:	816-701-4363
Fax:	816-701-4366
Website Address:	http://www.childrensmercy.org/
Federal Tax ID No:	44-060573
Fiscal Year Cycle:	July 1, 2014 - June 30, 2015
Executive Director/President:	Randall L O'Donnell - President and Chief Executive Officer
Phone No:	
Email:	
Name/Title of Principal Contact Person:	Stepanie Seger
Phone No:	816-701-4363
Email:	smseger@cmh.edu

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Section B
Agency's 2014 and 2015 Revenue Information

Agency's 2015 Projected Revenue Information

Funding Entity	Source You Will Request 2015 Funding From	Projected Amount	% of Total Revenue
Federal		\$ 9,559,002	1
State		\$ -	0
Jackson County		\$ 425,833	0
Other Counties		\$ 42,102	0
City		\$ 790,180	0
Charity/Donations		\$ 1,778,566	0
Fundraisers		\$ -	0
Other		\$ 1,105,384,399	99
2015 Total Projected Revenue		\$ 1,117,980,082	

Agency's 2014 Revenue Information

Funding Entity	Source You Received 2014 Funding From	Amount	% of Total Revenue
Federal		\$ 12,710,087	1
State		\$ -	0
Jackson County		\$ 430,000	0
Other Counties		\$ 60,800	0
City		\$ 807,204	0
Charity/Donations		\$ 1,891,991	0
Fundraisers		\$ -	0
Other (please list)		\$ 1,027,473,373	98

2014 Total Revenue **\$ 1,043,373,455**

Please identify the Jackson County source(s) your agency received funding from in 2014

Jackson County Funding Source	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	Amount	Program Name
COMBAT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	\$ 27,500	52,000 CW
Mental Health Levy	<input type="checkbox"/>	<input checked="" type="checkbox"/>	\$ -	
Board of Services for Developmentally Disabled			\$ -	
Domestic Violence Board			\$ -	
Housing Resources Commission	<input type="checkbox"/>	<input checked="" type="checkbox"/>	\$ -	
Outside Agency Program	<input type="checkbox"/>	<input checked="" type="checkbox"/>	\$ -	373,183 CW
2014 Total Jackson County Funding			\$ 27,500	425,183

Did your agency receive funding or resources in 2014 from either of the following?

If so, in what way did you participate? If not, why?

Mid America Regional Council	\$ -
MAAC Link	\$ -
Harvesters	\$ -

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Section D
2015 Program Information

Agency Name: Mercy Hospital

Program Name: Pediatric Hospital

Program Request # 1 **of** 1

Proposed Program Cost	
What is the total cost to run your program regardless of the Jackson County funding you are requesting?	
Total Program Cost	\$ 100,000
Proposed Program	
Detail functions to be performed - limit your response to the space provided	
<p>Children's Mercy Hospital is recognized for our innovation in creating a family-centered environment that is focused on the unique needs of hospitalized children and their families. The hospital provides a full range of medical services to children from birth through adolescence. This includes primary care, specialty outpatient services, surgery, high risk pregnancies and hospitalizations. Care is provided to all children, regardless of race, religion or ability to pay.</p> <p>The hospital provides the highest level of medical care, technology, services, equipment and facilities in promoting the health and well-being of children in the region. Patients and their families are treated with compassion in a family-centered environment that recognizes their physical, emotional, financial, social and spiritual needs.</p> <p>Many families cannot afford dependent health care coverage for their children through their employer's plan, their insurance policy does not cover all the needed services, or the co-pay portion of their plan overwhelms them during a catastrophic illness. Children with chronic conditions have a great deal of difficulty obtaining medical coverage at any price in today's market.</p> <p>In addition to covering the costs of indigent, uninsured and underinsured families, our distinctive financial picture is also marked by the intensity of the care we provide. A large percentage of our service is devoted to critical care in the Neonatal and Pediatric Intensive Care Units. For these families, Children's Mercy Hospital is truly the "safety net."</p>	

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Section D 2015 Program Information

Complete a separate program information sheet for each program your agency is applying for funding.

Agency Name: The Children's Mercy Hospital

Program Name: Pediatric Hospital

Program Request # 1 **of** 1

Participants	
Identify the number of participants that each program serves	
# served with this program	213,944
Of the # served with this program, how many are from:	
Jackson County	70,525
Other Counties	143,419
Target Population	
Describe target population and demographics to be served by each program	
<p>The target population and demographics that are served are children from birth through adolescence who are uninsured or underinsured and are in need of pediatric services from the hospital.</p>	
<p>Estimate of your cost per participant: \$ Varies</p>	
<p>What criteria do you have for the participants you serve?</p> <p>Do you keep a list of participants for each program?</p> <p>Would you provide these services to anyone at your door?</p> <p>Is anyone denied services?</p>	<p>Our mission is to improve the health and well being of children by providing comprehensive, family-centered health care and committing to the highest level of clinical and psychosocial care, and to research, academic and service excellence.</p> <p>Electronic Medical Records are kept for patients</p> <p>Yes. All patients are treated regardless of a families ability to pay</p> <p style="text-align: center;">No</p>
<p>Please classify your program from the following types by % of your agency's overall services:</p> <p>Seniors Program:</p> <p>Indigent Program (Below Poverty Level):</p> <p>Indigent Senior Program:</p>	

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Section D

Section D
2015 Program Information
Complete a separate program information sheet for each program your agency is applying for funding.

Agency Name: The Children's Mercy Hospital

Program Name: Pediatric Hospital

Program Request # 1 **of** 1

Approach & Method List the top three (3) objectives for each program
1. Service Excellence
2. System Accessibility
3. Cost Effectiveness
Detail specific methods you will use to achieve these objectives
1: Service Excellence by evaluating and treating the presenting problem
2: System Accessibility by scheduling appropriate follow-up
3: Cost Effectiveness by working to ensure that every child has a "medical home" for primary care

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Section D
2015 Program Information
Complete a separate program information sheet for each program you identify as applying for funding.

Agency Name: The Children's Mercy Hospital

Program Name: Pediatric Hospital

Program Request # 1 **of** 1

Evaluation How can the success of each program be evaluated? Indicate performance measures or statistics you will use to demonstrate the success of each program
1. Inpatient Days 2. Outpatient Days 3. Indigent Care Costs
Notification How will your organization make clients, the public and the media aware of the generous taxpayer funding received from Jackson County? (Please attach any examples)
The information is produced in the Children's Mercy Hospital annual report, which is distributed widely and is on the website for easy access at http://www.childrensmercy.org/ . Children's Mercy Hospital also uses various other forms of communication in being forthcoming with information regarding all public funding.

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WORK AUTHORIZATION AFFIDAVIT

As a condition for any service provided to the County, a business entity shall, by sworn affidavit and provision of documentation, affirm its enrollment and participation in a federal work authorization program with respect to the employees working in connection with the contracted services.

Business entity, as defined in section 285.525, RSMo pertaining to section 285.530, RSMo, is any person or group of persons performing or engaging in any activity, enterprise, profession, or occupation for gain, benefit, advantage, or livelihood. The term "business entity" shall include but not be limited to self-employed individuals, partnerships, corporations, contractors, and subcontractors. The term "business entity" shall include any business entity that possesses a business permit, license, or tax certificate issued by the state, any business entity that is exempt by law from obtaining such a business permit, and any business entity that is operating unlawfully without such a business permit.

Every such business entity shall complete the following affidavit affirming that it does not knowingly employ any person who is an unauthorized alien in connection with the contracted services. The completed affidavit must be returned as a part of the contract documentation.

This affidavit affirms that **The Children's Mercy Hospital**, is enrolled in, and is currently participating in, E-verify or any other equivalent electronic verification of work authorization operated by the United States Department of Homeland Security under the Immigration Reform and Control Act of 1986 (IRCA); and, **The Children's Mercy Hospital**, does not knowingly employ any person who is an unauthorized alien in conjunction with the contracted services.

In Affirmation thereof, the facts stated above are true and correct. (The undersigned understands that false statements made in this filing are subject to the penalties provided under section 575.040, RSMo.)

[Signature]
Authorized Representative's Signature
President + CEO
Title

Randall L. O'Donnell, PhD
Printed Name
12/18/2015
Date

Subscribed and sworn before me this 18th day of December, 2015. I am commissioned as a notary public within the County of Jackson, State of Missouri, and my commission expires on 10/2/2018.

[Signature]
Signature of Notary

12/18/2015
Date

