



**UnityPoint Health**  
Trinity

**Administration**  
1518 Mulberry Avenue  
Muscatine IA 52761  
Office: (563) 264-9201  
Fax: (563) 264-9484  
unitypoint.org

To: Mayor Diana L. Broderson

From: Angela S. Johnson, Executive Director

Date: September 4, 2018

RE: Trinity Muscatine 340B Drug Pricing Program

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Attached for your consideration is a Memorandum of Understanding (MOU) between the City of Muscatine and Unity HealthCare, d/b/a Trinity Muscatine. This MOU outlines Trinity Muscatine's commitment to the City of Muscatine to provide health care services to the Medicare and Medicaid populations, as well as our commitment to support programs benefiting the indigent, uninsured and underserved population in Muscatine and surrounding communities. It also reflects the City of Muscatine's acceptance of that commitment on behalf of its citizens.

This MOU is an agreement that is required for Trinity Muscatine's participation in the Federal Government's 340B Pharmacy Program, which allows Trinity Muscatine to receive certain prescription drugs from manufacturers at a discounted price.

We are currently in the process of completing our recertification application for the 340B Pharmacy Program and the fully executed MOU must be included with the application packet. Respectfully, we ask that you please review the document and let us know if you have any questions or concerns. The previous MOU is included for your reference.

Enclosures

cc: Gregg Mandsager, City Administrator

**UNITY HEALTHCARE, D/B/A  
TRINITY MUSCATINE, MUSCATINE, IOWA**

**340B DRUG PRICING PROGRAM**

**MEMORANDUM OF UNDERSTANDING**

THIS MEMORANDUM OF UNDERSTANDING ("MOU") is made this \_\_\_\_\_ day of \_\_\_\_\_, 2018, between the undersigned representatives of the City of Muscatine, Iowa, an Iowa municipal corporation (hereinafter referred to as "City"), located at 215 Sycamore Street, Muscatine, Iowa and Unity HealthCare, d/b/a Trinity Muscatine (hereinafter referred to as "HOSPITAL"), a non profit corporation organized and existing under the laws of the State of Iowa, located at 1518 Mulberry Avenue, Muscatine, Iowa.

**RECITALS:**

WHEREAS, Hospital is an Iowa not-for-profit hospital that provides healthcare services to the Medicare and Medicaid populations in addition to supporting many programs that benefit the indigent, uninsured or underinsured population in Muscatine, Iowa and surrounding communities;

WHEREAS, Hospital desires to make such formal commitment to City; and

WHEREAS, City agrees to accept such commitment on behalf of the citizens of Muscatine, Iowa and surrounding communities.

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

1. **COMMITMENT OF HOSPITAL TO PROVIDE INDIGENT CARE:** During the term of this MOU, Hospital agrees to continue its historical commitment to the provision of healthcare to indigent, uninsured and underinsured residents by adhering to the Hospital's charity policy. Pursuant to its commitment to continue to provide indigent care, it is Hospital's intention that indigent care provided during the term of this MOU will be consistent with its historical commitment. In any event, Hospital will ensure that all patients presenting to its Emergency Department continue to receive necessary care, as required by law, regardless of ability to pay.

2. ACCEPTANCE AND ACKNOWLEDGMENTS OF CITY:

(a) City accepts the commitment of Hospital set forth above;

(b) City hereby acknowledges that the healthcare services provided by Hospital hereunder are in the public interest and are being provided to individuals who are not entitled to benefits under Title XVIII of the Social Security Act or eligible for assistance under any State plan pursuant to Title XIX of the Social Security Act; and

(c) City acknowledges that Hospital is providing these services at no reimbursement or for considerably less than full reimbursement from the patients.

3. REPRESENTING OF HOSPITAL: Hospital represents that as of the date hereof:

(a) Hospital constitutes a separately licensed facility that is owned and operated by Unity HealthCare, d/b/a Trinity Muscatine, a nonprofit corporation duly organized and validly existing in good standing under the laws of the State of Iowa, with the corporate power and authority to enter into and perform its obligations under this MOU; and

(b) Hospital is a tax-exempt corporation under Section 501 (c)(3) of the Internal Revenue Code of the United States, as amended, and under applicable laws of the State of Iowa.

4. TERM AND TERMINATION: The term of this MOU shall commence on the date set forth above and shall continue until terminated by either party upon not less than sixty (60) days prior written notice to the other.

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

SENT TO CITY: City of Muscatine  
Mayor Diana L. Broderson  
215 Sycamore Street  
Muscatine, IA 52761

WITH COPY TO: City of Muscatine  
Gregg Mandsager, City Administrator  
215 Sycamore Street  
Muscatine, IA 52761

SENT TO HOSPITAL: Trinity Regional Health System  
Richard A. Seidler, CEO  
2701 17<sup>th</sup> Street  
Rock Island, IL 61201

WITH COPY TO: Trinity Regional Health System  
Katie Marchik, CFO  
2701 17<sup>th</sup> Street  
Rock Island, IL 61201

Trinity Muscatine  
Angela S. Johnson, Executive Director  
1518 Mulberry Avenue  
Muscatine, IA 52761

6. GOVERNING LAW: This MOU shall be governed and construed in accordance with the laws of the State of Iowa (excepting any conflict of laws/provisions which would serve to defeat application of Iowa substantive law).

IN WITNESS THEREOF, Hospital and City of Iowa have executed this MOU on the day and year first written above by their duly authorized representatives.

WITNESS:

CITY OF MUSCATINE

\_\_\_\_\_

By \_\_\_\_\_

Diana L. Broderson  
Mayor

WITNESS:

UNITY HEALTHCARE, d/b/a  
TRINITY MUSCATINE

\_\_\_\_\_

By \_\_\_\_\_

Richard A. Seidler  
CEO

**MEMORANDUM OF UNDERSTANDING**

**BETWEEN**

*City of Muscatine*

**AND**

**Unity HealthCare, d/b/a Trinity Muscatine, Muscatine, Iowa**

**THIS MEMORANDUM OF UNDERSTANDING** is made this 22nd day of May, 2012 by and between the undersigned representatives of the City Of Muscatine, located at 215 Sycamore Street and Unity HealthCare, d/b/a Trinity Muscatine, a non-profit corporation organized and existing under the laws of the State of Iowa, located at 1518 Mulberry Ave, Muscatine, Iowa ("Trinity").

**RECITALS:**

**WHEREAS**, Trinity is an Iowa not-for-profit hospital that provides a disproportionate share of healthcare services to the Medicaid population in addition to supporting many programs that benefit the indigent, uninsured or underinsured population in the State of Iowa;

**WHEREAS**, Trinity's 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 Trinity must enter into an agreement with a unit of the [state or local] government pursuant to which Trinity commits to provide health care services to low income individuals who are not entitled to Medicare or Medicaid benefits at no reimbursement or considerably less than full reimbursement from these patients;

**WHEREAS**, Trinity's desires to make such a formal commitment to City of Muscatine; and

**WHEREAS**, City of Muscatine agrees to accept such commitments on behalf of the citizens in Trinity's service area in Iowa.

**NOW, THEREFORE**, in consideration of the mutual agreements and covenants contained therein 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. **Commitment of Trinity to Provide Indigent Care.**

During the term of this MOU, Trinity agrees to continue its historic commitment to the provision of health care to indigent, uninsured and underinsured residents of its service area in Iowa. In 2010, this commitment totaled approximately \$4,956,153 in charity care and means –tested programs. Pursuant to this commitment, it is the intention of Trinity Muscatine that indigent care provided during the term of this MOU will range generally between \$4,500,000 and \$5,500,000 million. In any event, Trinity Muscatine will assume that all patients will receive necessary care, as required by law, regardless of ability to pay.

2. **Acceptance and Acknowledgements of City of Muscatine.**

- (a) City of Muscatine accepts the commitment of Trinity set forth above;
- (b) City Of Muscatine hereby acknowledges that the healthcare services provided by Trinity hereunder are in the public interest and are being provided to individuals who are not entitled to benefits under Title XVIII or eligible for assistance under any State plan pursuant to Title XIX of the Social Security Act; and
- (c) City of Muscatine acknowledges that Trinity is providing these services at no reimbursement or considerably less than full reimbursement from the patients.

3. **Representations of Trinity Muscatine. Trinity's represents that:**

- (a) Trinity constitutes a corporation duly organized and validly existing in good standing under the laws of the State of Iowa, with the corporate power and authority to enter into and perform its obligations under this MOU; and
- (b) Trinity is a tax-exempt corporation of under Section 501 (c)(3) of the Internal Revenue Code of the United States, as amended and under applicable laws of the State of Iowa.

4. **Term and Termination.** The term of this MOU 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.

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

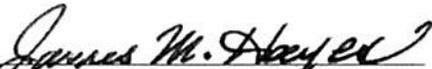
Sent to: City of Muscatine  
Attention: Mayor DeWayne Hopkins  
215 Sycamore St  
Muscatine, IA 52761

Sent to: Trinity Muscatine  
Attention: Jim Hayes  
1518 Mulberry Avenue  
Muscatine, Iowa 52761

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

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

TRINITY MUSCATINE

By:   
Name: JAMES M. HAYES  
Title: President & CEO

CITY OF MUSCATINE

By:   
Name: DeWayne M. Hopkins  
Title: Mayor, City of Muscatine