

STATE OF FLORIDA
AGENCY FOR HEALTH CARE ADMINISTRATION

FILED
AHCA
AGENCY CLERK

2007 APR -3 A 10:54

AMERIS HEALTH SYSTEMS, L.L.C.,

Petitioner,

DOAH Case No. 07-0593
CON No. 9936

vs.

RENDITION NO.: AHCA-07-0190-S-OLC

STATE OF FLORIDA, AGENCY FOR
HEALTH CARE ADMINISTRATION,

Respondent,

and

NORTH FLORIDA REGIONAL MEDICAL
CENTER, INC.,

Intervenor.

FILED
2007 APR -4 A 10:49
DIVISION OF
ADMINISTRATIVE
HEARINGS

FINAL ORDER

THE STATE OF FLORIDA, AGENCY FOR HEALTH CARE ADMINISTRATION (hereinafter the "Agency"), having reviewed all matters of record including CON Application No. 9936; and having entered into a Settlement Agreement with AMERIS HEALTH SYSTEMS, L.L.C. (hereinafter "Petitioner"), and with NORTH FLORIDA REGIONAL MEDICAL CENTER, INC. (hereinafter "Intervenor"), which Agreement is attached hereto as Exhibit 1; and being otherwise well advised in the premises:

It is **ORDERED** and **ADJUDGED**:

1. The attached Settlement Agreement is approved and adopted as part of this Final Order, and the parties are directed to comply with the terms of the Settlement Agreement.

2. The Agency hereby approves the issuance of Certificate of Need No. 9936 to Petitioner with the following conditions appearing on the face of the Certificate of Need:

A. Ameris Health Systems, L.L.C., will provide a minimum of 18% of its total annual patient days to Medicaid/Medicaid HMO and 1% to charity patients.

B. Continuous construction of the project must commence no later than 18 months after the Certificate of Need is issued.

C. Ameris will provide an on-site hospital emergency department available 24 hours per day, seven days per week, which is appropriately equipped and staffed with physicians and other personnel within appropriate physical plant facilities (and initially as described in CON application 9936) and which is otherwise fully compliant with all applicable statutes and regulations. Ameris shall ensure through its emergency department the provision of all services within the service capability of the hospital in full compliance with Section 395.1041, Florida Statutes.

D. Ameris will provide obstetrical services with appropriate physical plant facilities (and initially as described in CON application 9936) and equipment and appropriately staffed with physicians and other personnel, and which is otherwise fully compliant with all applicable statutes and regulations.

E. Ameris will provide pediatric services with appropriate physical plant facilities and equipment and appropriately staffed with physicians and other personnel, and which is otherwise fully compliant with all applicable statutes and regulations.

F. Ameris will enter into and maintain appropriate patient transfer agreements with other hospitals to ensure the availability to patients of services not offered by, or which are otherwise unavailable at, its proposed new hospital.

G. The hospital site shall be in Levy County.

3. The above-styled case is hereby closed.

DONE and ORDERED this 2nd day of April, 2007, in

Tallahassee, Leon County, Florida.



Andrew C. Agwunobi, M.D., Secretary
Agency for Health Care Administration

A PARTY WHO IS ADVERSELY AFFECTED BY THIS FINAL ORDER IS ENTITLED TO JUDICIAL REVIEW, WHICH SHALL BE INSTITUTED BY FILING ONE COPY OF A NOTICE OF APPEAL WITH THE AGENCY CLERK OF AHCA, AND A SECOND COPY, ALONG WITH FILING FEE AS PRESCRIBED BY LAW, WITH THE DISTRICT COURT OF APPEAL IN THE APPELLATE DISTRICT WHERE THE AGENCY MAINTAINS ITS HEADQUARTERS OR WHERE A PARTY RESIDES. REVIEW OF PROCEEDINGS SHALL BE CONDUCTED IN ACCORDANCE WITH THE FLORIDA APPELLATE RULES. THE NOTICE OF APPEAL MUST BE FILED WITHIN 30 DAYS OF RENDITION OF THE ORDER TO BE REVIEWED.

Copies furnished to:
Karin M. Byrne, Esq.
Assistant General Counsel
(Interoffice Mail)

Elizabeth Dudek
Deputy Secretary
(Interoffice Mail)

Jan Mills
(Interoffice Mail)

F. Philip Blank, Esq.
Blank & Meenan, P. A.
P. O. Box 11068
Tallahassee, Florida 32302-3068

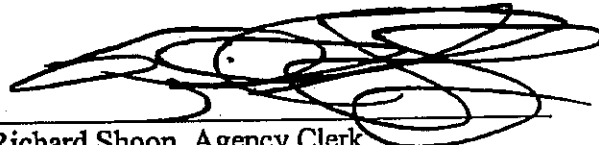
Stephen A. Ecenia, Esq.
Rutledge, Ecenia, Purnell & Hoffman, P. A.
P. O. Box 551
Tallahassee, Florida 32302-0551

David M. Maloney
Administrative Law Judge
Division of Administrative Hearings
The DeSoto Building
1230 Apalachee Parkway
Tallahassee, Florida 32399-3060

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of this Final Order was served
on the above-named persons and entities by U.S. Mail, or the method designated, on this

5 day of April, 2007.



Richard Shoop, Agency Clerk
Agency for Health Care Administration
2727 Mahan Drive, Building #3
Tallahassee, Florida 32308-5403
(850) 922-5873

STATE OF FLORIDA
DIVISION OF ADMINISTRATIVE HEARINGS

AMERIS HEALTH SYSTEMS, L.L.C.,

Petitioner,

DOAH Case No. 07-0593
CON No. 9936

vs.

STATE OF FLORIDA, AGENCY FOR
HEALTH CARE ADMINISTRATION,

Respondent,

and,

NORTH FLORIDA REGIONAL
MEDICAL CENTER, INC.,

Intervenor.

DIVISION OF
ADMINISTRATIVE
HEARINGS

2007 APR - 11 A 10: 49

FILED

SETTLEMENT AGREEMENT

Respondent, the STATE OF FLORIDA, AGENCY FOR HEALTH CARE ADMINISTRATION (hereinafter "AHCA" or the "Agency"), through its undersigned representatives, and Petitioner, AMERIS HEALTH SYSTEMS, L.L.C. (hereinafter "Petitioner"), and NORTH FLORIDA REGIONAL MEDICAL CENTER, INC. (hereinafter "Intervenor") (hereinafter collectively the "parties" and each individually a "party"), pursuant to Section 120.57(4), Florida Statutes, hereby enter into this Settlement Agreement (the "Agreement") stating as follows:

WHEREAS, Petitioner is an applicant for a certificate of need ("CON") to establish a 60-bed acute care hospital in Levy County, District 3, having filed CON Application No. 9936 on or before September 13, 2006; and

WHEREAS, the Agency has jurisdiction by virtue of being the regulatory authority responsible for the review and approval of certificate of need applications, pursuant to Sections 408.035, 120.569 and 120.57, Florida Statutes; and

WHEREAS, Intervenor is the licensee of North Florida Regional Medical Center, a Class I general acute care hospital located in Gainesville, Florida, District 3; and

WHEREAS, the Agency published a notice in the December 29, 2006, Florida Administrative Weekly, notifying the Petitioner of its intent to deny CON Application No. 9936; and

WHEREAS, the Petitioner has challenged the preliminary denial of its CON application by timely filing its Petition for Administrative Hearing in this case, and Intervenor timely intervened in the administrative proceeding; and

WHEREAS, the parties have agreed that a fair, efficient, and cost-effective agreement to resolve this dispute would avoid the expenditure of substantial sums to litigate the dispute; and

WHEREAS, the parties have negotiated and agreed that the best interests of the parties will be served by a settlement of this proceeding;

NOW, THEREFORE, in consideration of the mutual promises and recitals herein, the parties, intending to be legally bound, agree as follows:

1. All of the above recitals are true and correct and are expressly incorporated herein as binding upon the parties, as well as upon all entities identified in Paragraph 9 hereof.
2. All section numbers set forth herein refer to the Florida Statutes in effect at the time of execution of this Agreement, and all rule numbers that may be set forth herein refer to the Florida Administrative Code in effect at the time of execution of this Agreement.

3. Upon full execution of this Agreement, the Agency agrees to issue a Final Order approving CON No. 9936 with the following conditions appearing on the face of the Certificate of Need:

A. Ameris Health Systems, L.L.C., will provide a minimum of 18% of its total annual patient days to Medicaid/Medicaid HMO and 1% to charity patients.

B. Continuous construction of the project must commence no later than 18 months after the Certificate of Need is issued.

C. Ameris will provide an on-site hospital emergency department available 24 hours per day, seven days per week, which is appropriately equipped and staffed with physicians and other personnel within appropriate physical plant facilities (and initially as described in CON application 9936) and which is otherwise fully compliant with all applicable statutes and regulations. Ameris shall ensure through its emergency department the provision of all services within the service capability of the hospital in full compliance with Section 395.1041, Florida Statutes.

D. Ameris will provide obstetrical services with appropriate physical plant facilities (and initially as described in CON application 9936) and equipment and appropriately staffed with physicians and other personnel, and which is otherwise fully compliant with all applicable statutes and regulations.

E. Ameris will provide pediatric services with appropriate physical plant facilities and equipment and appropriately staffed with physicians and other personnel, and which is otherwise fully compliant with all applicable statutes and regulations.

F. Ameris will enter into and maintain appropriate patient transfer agreements with other hospitals to ensure the availability to patients of services not offered by, or which are otherwise unavailable at, its proposed new hospital.

G. The hospital site shall be in Levy County.

4. Upon full execution of this Agreement, the Agency shall enter a Final Order adopting and incorporating the terms of this Agreement and closing the above-styled case.

5. Upon full execution of this Agreement:

A. Petitioner agrees to the withdrawal of its petition for a formal administrative proceeding and the dismissal of this action, and Petitioner and Intervenor agree to join with the Agency in filing a motion to relinquish jurisdiction in this action back to the Agency for the entry of a Final Order consistent with the terms of this Agreement.

B. Petitioner and Intervenor each agree to waive their rights under Section 120.57(1) or under any applicable statute or rule to any proceeding, including appeals under Section 120.68 and any other appeals.

C. Petitioner and Intervenor each agree to waive compliance with the form of the Final Order (i.e., Findings of Fact and Conclusions of Law) to which they may be entitled.

D. Petitioner and Intervenor each agree to waive any right to declaratory and all other writs of relief in any court or quasi-court of competent jurisdiction (e.g., the Division of Administrative Hearings); provided, however, that nothing herein shall be deemed a waiver by any party of its right to judicial enforcement of this Agreement.

6. Venue for any action brought to enforce the terms of this Agreement or the Final Order entered pursuant hereto shall lie in the Circuit Court in Leon County, Florida.

7. Each party shall bear its own costs and attorney's fees.

8. Petitioner and Intervenor each, for itself and for its related or resulting organizations, its successors or transferees, attorneys, heirs, and executors or administrators, do

hereby discharge the State of Florida, Agency for Health Care Administration, and its agents, representatives, and attorneys of and from all claims, demands, actions, causes of action, suits, damages, losses, and expenses, of any and every nature whatsoever, arising out of or in any way related to this matter and the Agency's actions, including but not limited to, any claims that were or may be asserted in any federal or state court or administrative forum, including any claims arising out of this Agreement, by or on behalf of Petitioner or Intervenor or related facilities.

9. This Agreement is binding upon all parties herein and those identified in Paragraph 8 above.

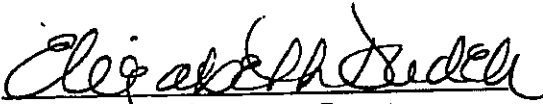
10. This Agreement constitutes the entire agreement between the parties and supersedes any prior discussions, agreements, or understandings between the parties. No modification or waiver of this Agreement, including without limitation the CON conditions herein, is valid unless written and properly executed by all parties hereto.

11. Any attempted assignment of this Agreement shall be void.

12. This Agreement shall become effective on the date upon which it is fully executed by all the parties.

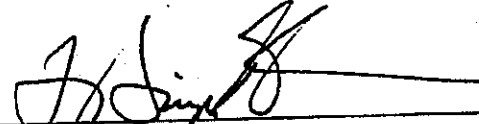
13. Each individual signing below hereby expressly represents that (s)he is duly authorized to enter into this Agreement on behalf of the entity on whose behalf (s)he is signing below.

AGENCY FOR HEALTHCARE
ADMINISTRATION

By: 
Elizabeth Dudek, Deputy Secretary
Division of Health Quality Assurance


Date: 3/30/2007

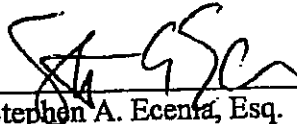
AMERIS HEALTH SYSTEMS, L.L.C.

By: 
F. Philip Blank, Esq.
Its counsel

Date: _____

NORTH FLORIDA REGIONAL
MEDICAL CENTER, INC.

By: 
Craig H. Smith, General Counsel

By: 
Stephen A. Ecenta, Esq.
Its counsel

Date: 3/30/07

Date: 3/30/07

By: 
Kayin Byrne, Assistant General Counsel

Date: MARCH 30, 2007

2727 Mahan Drive, Building 3, MSC #3
Tallahassee, Florida 32308