

Chairman Phil Mendelson
at the request of the Mayor

A BILL

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To, on an emergency basis, approve the development agreement transmitted by the Mayor on June 8, 2020 as a contract in excess of \$1 million for the construction of a new hospital at St. Elizabeths; approve the operations agreement transmitted by the Mayor on June 8, 2020 as a multiyear contract and contract in excess of \$1 million for the operation of the hospital; to authorize the Mayor to dispose of the hospital and the real property on which the hospital will be located to UHS East End Sub, LLC; establish a special fund as a startup reserve for the hospital; and amend the Health Services Planning Program Re-Establishment Act of 1996 to establish an uncompensated care requirement for the hospital.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the “New Hospital at St. Elizabeths Emergency Amendment Act of 2020”.

TITLE I. CONTRACT APPROVAL; DISPOSITION AUTHORIZATION.

Sec. 101.(a) Pursuant to section 451 of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 803; D.C. Official Code § 1-204.51), and notwithstanding the Procurement Practices Reform Act of 2010, effective April 8, 2011 (D.C. Law 18-371; D.C. Official Code § 2-351.01 *et seq.*), the Public-Private Partnership Act of 2014, effective March 11, 2015 (D.C. Law 20-228; D.C. Official Code § 2-271.01 *et seq.*), or any other law, the Council approves:

(1) The Development Agreement between the District of Columbia and UHS Building Solutions, Inc., for the design and construction of a hospital and other facilities

37 (“Hospital Facilities”) at St. Elizabeths and for other purposes (“Development Agreement”),
38 transmitted by the Mayor to the Council on June 8, 2020, as a contract involving expenditures in
39 excess of \$1 million during a 12-month period; and

40 (2) The Hospital Operations Agreement between the Government of the District
41 of Columbia and UHS East End Sub, LLC, for the operation of a hospital at St. Elizabeths and
42 for other purposes (“Operations Agreement”), transmitted by the Mayor to the Council on June
43 8, 2020, as a multiyear contract and as a contract involving expenditures in excess of \$1 million
44 during a 12-month period.

45 (b) Notwithstanding An Act Authorizing the sale of certain real estate in the District of
46 Columbia no longer required for public purposes, approved August 5, 1939 (53 Stat. 1211; D.C.
47 Official Code § 10-801), or any other law, the Council authorizes the Mayor to dispose of the
48 Hospital Facilities to UHS East End Sub, LLC, or its successor or assign, in fee simple or by
49 lease for up to 99 years and to dispose of the real property known for assessment and taxation
50 purposes as Lot 859 in Square 5868S (“New Hospital Property”) by lease for up to 99 years to
51 UHS East End Sub, LLC, or its successor or assign,, as provided for in the Lease Agreement
52 between the District of Columbia as landlord and UHS East End Sub, LLC, as tenant (“Lease
53 Agreement”), transmitted by the Mayor to the Council on June 8, 2020, as such agreement may
54 be amended by the Mayor from time to time, and to provide easements to owners of real property
55 adjacent to the New Hospital Property and utility providers as may be necessary or appropriate
56 for the construction and operation of the Hospital Facilities.

57 (c) Notwithstanding any other provision of law, the Mayor is authorized to take such
58 actions as are appropriate to implement the Development Agreement, Operations Agreement,
59 and Lease Agreement.

60 **TITLE II. NEW HOSPITAL AT ST. ELIZABETHS STARTUP RESERVE FUND.**

61 Sec. 201. This title may be cited as the New Hospital at St. Elizabeths Startup Reserve
62 Establishment Fund Act of 2020”.

63 Sec. 202. New hospital at St. Elizabeths startup reserve fund.

64 (a) There is established as a special fund the New Hospital at St. Elizabeths Startup
65 Reserve Fund (“Fund”), which shall be administered by the Department of Health Care Finance
66 in accordance with subsections (c) and (d) of this section.

67 (b) There shall be deposited into the Fund such amounts as shall be appropriated,
68 consistent with the Hospital Operations Agreement between the Government of the District of
69 Columbia and UHS East End Sub, LLC, for the operation of a hospital at St. Elizabeths and for
70 other purposes (“Operations Agreement”), approved pursuant to Title I.

71 (c) Money in the Fund shall be used for the purposes set forth in the Operations
72 Agreement.

73 (d)(1) The money deposited into the Fund but not expended in a fiscal year shall not
74 revert to the unassigned fund balance of the General Fund of the District of Columbia at the end
75 of a fiscal year, or at any other time.

76 (2) Subject to authorization in an approved budget and financial plan, any funds
77 appropriated in the Fund shall be continually available without regard to fiscal year limitation.

78 **TITLE III. UNCOMPENSATED CARE REQUIREMENT.**

79 Sec. 301. Section 6 of the Health Services Planning Program Re-Establishment Act of
80 1996, effective April 9, 1997 (D.C. Law 11-191; D.C. Official Code § 44-405), is amended by
81 adding a new subsection (a-1) to read as follows:

82 “(a-1) The requirement set forth in subsection (a) of this section that a health care facility
83 submit an assurance of its provision of a reasonable volume of uncompensated care through the
84 “annual compliance level” of 3% of its operating costs shall not apply to the hospital referenced
85 in Title I of the New Hospital at St. Elizabeths Amendment Act of 2020, as approved by the
86 Committee on Health on July 1, 2020 (Committee print of Bill 23-777) (“New Hospital Act”).
87 Such hospital shall instead submit an assurance of its compliance with the uncompensated care,
88 charity care, and community benefits requirement set forth in section 3.7 of the Operations
89 Agreement approved in section 101(a)(2) of the New Hospital Act.”.

90 **TITLE IV. GENERAL PROVISIONS.**

91 Sec. 401. Fiscal impact statement.

92 The Council adopts the fiscal impact statement of the Chief Financial Officer as the fiscal
93 impact statement required by section 4a of the General Legislative Procedures Act of 1975,
94 approved October 16, 2006 (120 Stat. 2038; D.C. Official Code § 1-301.47a).

95 Sec. 402. Effective date.

96 This act shall take effect following approval by the Mayor (or in the event of veto by the
97 Mayor, action by the Council to override the veto), and shall remain in effect for no longer than
98 90 days, as provided for emergency acts of the Council of the District of Columbia in section
99 412(a) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 788;
100 D.C. Official Code § 1-204.12(a)).