

**Lee Memorial Health System
Enabling Act**

Chapter 2000-439, as amended by 2023-326

CHAPTER 2000-439

House Bill No. 1615

An act relating to Lee County; codifying chapters 63-1552 and 78-552, Laws of Florida, as amended; revising said acts, as amended; repealing prior acts and reenacting portions thereof; providing for a public health care system in Lee County to be named Lee Memorial Health System; providing for an elected health care system board, and setting forth its duties and powers; providing compensation of board members; providing for the operation and maintenance of said public health care system; providing for deposit and investment of certain funds; authorizing the issuance of bonds; providing for execution and enforcement of liens; providing for the effect of conflicting provisions; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Chapter 63-1552, Laws of Florida, and amendments thereto made by chapters 69-1235, 72-600, 81-420, 83-452, 83-454, 84-465, 87-438, 91-410, 92-269, and 98-528, Laws of Florida; and chapter 78-552, Laws of Florida, are hereby repealed. Said prior acts are replaced in their entirety by this act. This act shall constitute a codification as required by section 189.429, Florida Statutes. It is declared to be the legislative intent that if any section, subsection, sentence, clause, or provision of this act is found to be invalid, the remainder of the act shall not be affected; and further, in order to assure the uninterrupted maintenance and operation of the public health care system provided for herein, that any of the prior acts set forth herein, or any portion thereof, shall survive and be deemed reenacted to the extent necessary to replace any section, subsection, sentence, clause, or provision of this act found to be invalid.

Section 2. The name of the public health care system provided for by this act shall be Lee Memorial Health System, which is a public body, and the governing body thereof shall be the Lee Memorial Health System Board of Directors.

Section 3. The operation and maintenance of the public health system, and the construction of health system facilities provided for in this act are declared to be a public purpose.

Section 4. The Lee Memorial Health System Board of Directors, hereinafter called the system board, is hereby authorized to establish and to provide for the operation and maintenance of a public health care system comprised of hospitals; satellite hospitals; clinics; or other facilities devoted to the provision of health care services intended to improve the physical, spiritual, emotional, or mental health of those persons utilizing such services, or of services to prevent sickness, injury, or disease, including those which are intended to promote a healthful lifestyle, and such other facilities or services as the system board shall deem appropriate to provide a full range of health care services to the population the public health care system may serve. The system board is authorized to construct and equip the necessary buildings

for the aforesaid purposes and to construct extensions, additions, and improvements thereto from time to time, and to lease as lessee or lessor, or purchase or sell any land or any interest in land. The system board is authorized and empowered to carry out its functions directly or indirectly through other companies it controls through joint ventures or partnerships with other public or private organizations.

Section 5. In the event that it should become necessary to acquire any land for health system purposes under the authority of this act by eminent domain, the proceedings therefor shall be instituted by the system board and prosecuted in the manner provided by general law.

Section 6. (1) The Lee Memorial Health System Board of Directors shall consist of ten directors, comprised of two directors from each of the five county health system districts, the boundaries of which have been established by resolution of the system board. Said directors shall be residents and registered voters of Lee County. Directors from the five county health system districts shall be residents of the district from which they are elected and which they represent. System board members shall be elected on a nonpartisan basis by a vote of the electorate of the county as a whole and shall serve staggered 4-year terms. Members of the Hospital Board of Directors of Lee County holding office on the effective date of this act shall continue to hold office for the terms to which they were elected or appointed. Thereafter, directors of the Lee Memorial Health System Board of Directors shall be elected at the general election on a nonpartisan basis for staggered 4-year terms.

(2) The five county health system districts provided for herein shall have such boundaries as exist on the effective date of this act. The system board may at any time, by resolution, make any change which it deems necessary in the boundaries of any or all of the five county health system districts after a public hearing held by the system board, and the publication of notice at least once in a newspaper published in Lee County 15 days prior to said public hearing; provided that such districts shall be as nearly equal in population as practicable, and provided further that no change that would affect the residence qualifications of any incumbent director shall disqualify such incumbent director during the term for which the director is elected. Changes in district boundaries shall be shown by resolutions included within the minutes of the system board. District boundary changes shall be made only in odd-numbered years.

(3) Each candidate for election to the system board shall pay a qualifying fee and qualify during the qualification period as provided by general law. To qualify, each candidate shall sign an oath that he or she is a legal resident of Lee County, that he or she is a citizen of the United States, that he or she is a duly qualified elector in the state, that he or she has not violated any of the laws of the state relating to electors and to the registration of electors, that he or she is seeking election as a director of the Lee Memorial Health System Board of Directors from the county health system district he or she resides in, and that he or she has taken the oath as required by section 876.05, Florida Statutes, although the said candidate is not considered a county or state officer. The candidate shall sign an oath that he or she is a

legal resident of the county health system district of Lee County in which he or she is running for election.

(4) Any vacancy in the office of director shall be filled as provided by law.

Section 7. The system board shall elect annually from its members a chair, vice-chair, secretary, and treasurer, who shall be the officers of the system board. The system board shall cause true and accurate minutes and records to be kept of all business transacted by the system board and shall keep full, true, and complete books of accounts and records, which minutes, records, and books of account and the current line item budget shall at all reasonable times be open and subject to inspection and copying pursuant to the provisions of the constitution and laws of Florida. All meetings of the system board shall be open to the general public pursuant to general law. At least once a year the system board shall cause the financial records and accounts of the health care system to be audited by a certified public accountant authorized to practice public accounting in Florida and a certified public account audit report to be prepared. The audit, together with a copy of the health system's current annual budget, shall be filed annually with the Clerk of the Circuit Court of Lee County.

Section 8. Lee Memorial Health System directors shall receive an annual compensation of up to \$10,000 for services as members of such board, if such compensation is approved by the board. On the first day of each fiscal year following the effective date of this act, the limit shall increase by an amount equal to the increase in the Consumer Price Index during the prior fiscal year published by the United States Department of Labor. Directors shall be reimbursed for travel pursuant to section 112.061, Florida Statutes, as the same may be amended or recodified from time to time, and, in addition, shall be reimbursed for mileage expenses and travel expenses incurred in attending meetings of the Lee Memorial Health System Board of Directors or its committees, notwithstanding that the meetings are held in Lee County, Florida. The system board may adopt policies, procedures, guidelines, and rules that it deems appropriate which will grant the system board members the same privileges, benefits, and allowances that are provided to the Lee Memorial Health System medical staff and volunteers. The system board may adopt a policy that permits board members to participate in the health system's health insurance program for system employees, provided that the cost of such health insurance shall be paid by the board member electing to participate in such plan, said cost to be not less than that set for employees. Each Lee Memorial Health System director shall post a bond as required by general law for the faithful performance of his or her duties.

Section 9. The Lee Memorial Health System Board of Directors shall establish and authorize a medical staff to direct and control practitioners with privileges to perform professional services in the hospitals and other facilities operated by the system board. The system board may establish bylaws, rules, and regulations governing the organization of such medical staffs, the appointment and reappointment of such medical staffs, the disciplining or removal of medical staff members, the delineation of medical staff privileges, the professional duties of members of the medical staffs, and such other matters as the system board may address so that the health and well-being of patients and the best interests of the hospital and other facilities

authorized pursuant to this act may at all times be served. The system board shall have the ultimate authority regarding the medical staffs in the Lee Memorial Health System.

Section 10. The Lee Memorial Health System Board of Directors shall have the authority to operate and conduct the business of the public health system, and consistent therewith, shall have the following powers:

(1) The system board is authorized to pay all expenses of operation of the Lee Memorial Health System and all other necessary expenses incurred, including the fees and expenses of attorneys retained by the system board or the chief executive officer of the Lee Memorial Health System, in the transaction of the business of the public health care system, and in carrying out and accomplishing the purposes of this act.

(2) The Lee Memorial Health System may sue and be sued in the name of Lee Memorial Health System; provided that in any suit, a change in personnel of the system board shall not abate the suit, which shall proceed as if such change had not taken place. In all suits against the Lee Memorial Health System, service of process shall be had on the chief executive officer of the hospital, or in his absence on any officer of the system board.

(3) To the fullest extent permitted by the state law, the system board may create, be a voting member of, choose directors to serve on the boards of, be a partner in, or participate in or control, any venture, corporation, partnership, or other organization, public or private, which the system board finds operates for the purposes consistent with, and in furtherance of, the purposes and best interests of the Lee Memorial Health System.

(4) The system board may make, or authorize its chief executive officer to make, contracts of all kinds, including, but not limited to, the sale or purchase of real property and may enter into leases of real and personal property of any kind or description, either as lessor or lessee.

(5) The system board is authorized to accept gifts, bequests, grants, endowments, and conveyances from any source.

(6) The system board is authorized and empowered, in order to provide for and carry out the work of this act, to borrow money from time to time and in accordance with the constitution and law, and to issue the notes or bonds of the Lee Memorial Health System upon such terms and upon such rates of interest as the system board may deem advisable, to the fullest extent permitted by general law.

(7) The system board may enter into any and all types of derivative agreements as may be used by prudent borrowers, lenders, or investors, which are intended to minimize the risk of financial loss or maximize the financial return in connection with its bonds, notes, or investments, or for any other purpose.

(8) The system board may, or may authorize its chief executive officer to, settle or compromise any claim, suit, or action brought against the Lee Memorial Health System or any of its subsidiaries, or affiliated organizations, or any of its directors, officers, or employees when such claim, suit, or

action arises out of such directors', officers', or employees' acts or omissions in the course of employment or the performance of official duties, consistent with the provisions of the Florida Waiver of Sovereign Immunity Act, as such act may be in effect at the time of such settlement or compromise. This subsection shall not be construed as authorizing or requiring any settlement in excess of those limits imposed by the foregoing general act.

(9) The system board may take any other action consistent with the efficient and effective operation of the public health care system provided for by this act, consistent with the constitution and laws of Florida.

Section 11. The public health care system established under this act shall be primarily for the use and benefit of the residents of Lee County, but exists to provide health care services to all persons, including nonresidents of Lee County, who may seek such services. Persons seeking care may be admitted to Lee Memorial Health System hospitals or treated at its other facilities subject to the rules and regulations adopted by the system board. The system board may establish policies providing for the treatment without charge of those patients who, after reasonable inquiry, are found by Lee Memorial Health System management to be without the means to pay. The system board may, from time to time, establish guidelines for the hospital management in making such inquiry and determinations. The Lee Memorial Health System is authorized to collect from patients who are found to have the means to pay, such charges as the system board may, in its sole discretion, from time to time establish. The Lee Memorial Health System is authorized to bill and receive payment from insurance companies, governmental agencies, or other sources for treatment and care of patients or for other purposes.

Section 12. The Lee Memorial Health System Board of Directors may hire or appoint a chief executive officer, who shall have the title of president. The system board may make and adopt, or authorize the president to adopt such bylaws, rules, regulations, guidelines, or policies for its own guidance and for the organization, management, and operation of health care system facilities and services as may be deemed necessary for the efficient and economic conduct thereof. Subject to the annual health system budget and policy established by the system board, the president shall have the authority to see to the hiring or retention of such personnel as may be deemed necessary for the efficient management and operation of the public health care system and its subsidiaries and affiliated organizations; and to the firing or termination of such personnel. The president shall recommend the adoption of such general policies by the system board as may be deemed necessary and appropriate for the day-to-day management and operation of the hospital and its other facilities, and the system board may authorize the president to see to the establishment of specific policies, procedures, guidelines, and rules regarding such management and operation. The system board may authorize and delegate the enforcement of all such policies, procedures, guidelines, and rules to the president, who may, in turn, authorize and delegate enforcement of the same to such assistants as the president may deem appropriate or necessary. The president may delegate to assistants and subordinates the authority to manage the day-to-day operations

of the public health care system, consistent with the president's authority as delegated by the system board pursuant to this section.

Section 13. Funds of the Lee Memorial Health System may be paid out only upon drafts, checks, or warrants signed by persons duly authorized by the system board to execute such instruments for purposes consistent with this act. The system board may adopt rules for the payment of lesser sums in cash, and a petty cash fund or funds may be established for such purpose with the maximum amount payable in cash in one transaction fixed by the system chief executive officer. All funds of the system board shall be deposited in banks which are qualified under state law to accept deposits of public funds. The system board may deposit or invest its surplus funds in interest-bearing accounts, instruments, or securities, to the fullest extent permitted by general law. In addition, the system board may invest its surplus funds as follows:

(1) Without limitation in:

(a) Bonds, notes, or other obligations of the United States or those guaranteed by the United States or for which the credit of the United States is pledged for the payment of the principal and interest or dividends thereof.

(b) State bonds pledging the full faith and credit of the state and revenue bonds additionally secured by the full faith and credit of the state.

(c) Bonds of the several counties or districts in the state containing a pledge of the full faith and credit of the county or district involved.

(d) Savings accounts in, or certificates of deposit of, any bank, savings bank, or savings and loan association incorporated under the laws of the United States doing business and situated in this state, the accounts of which are insured by the Federal Government or an agency thereof, in an amount that does not exceed 15 percent of the net worth of the institution, provided such savings accounts and certificates of deposit are secured in the manner prescribed in chapter 280, Florida Statutes.

(e) Obligations of the Federal Farm Credit Banks and obligations of the Federal Home Loan Bank and its district banks.

(f) Obligations of the Federal Home Loan Mortgage Corporation including participation certificates.

(g) Obligations guaranteed by the Government National Mortgage Association.

(h) Commercial paper of prime quality of the highest letter and numerical rating as provided for by at least one nationally recognized rating service.

(i) Time drafts or bills of exchange drawn on and accepted by a commercial bank, otherwise known as banker's acceptances, which are accepted by a member bank of the Federal Reserve System having total deposits of not less than \$400 million.

(j) Short-term obligations not authorized elsewhere in this section, to be purchased individually or in pooled accounts or other collective investment funds, for the purpose of providing liquidity to any fund or portfolio.

(k) Securities of, or other interest in, any open-end or closed-end management type investment company or investment trust registered under the Investment Company Act of 1940, 15 U.S.C. ss. 80a-1 et seq., as amended from time to time, provided that the portfolio of such investment company or investment trust is limited to obligations of the United States Government or any agency or instrumentality thereof and to repurchase agreements fully collateralized by such United States Government obligations and provided that such investment company or investment trust takes delivery of such collateral either directly or through an authorized custodian.

(2) With no more than 25 percent of its funds in:

(a) Bonds, notes, or obligations of any municipality or political subdivision or any agency or authority of this state, if such obligations are rated in any one of the three highest ratings by two nationally recognized rating services. However, if only one nationally recognized rating service shall rate such obligations, then such rating service must have rated such obligations in any one of the two highest classifications heretofore mentioned.

(b) Notes secured by first mortgages on Florida real property, insured or guaranteed by the Federal Housing Administration or the United States Department of Veterans Affairs.

(c) Mortgage pass-through certificates, meaning certificates evidencing ownership of an undivided interest in pools of conventional mortgages on real property which is improved by a building or buildings used for residential purposes for one to four families when:

1. Such real property is located in this state;

2. Such mortgages are originated by one or more banks or savings and loan associations organized under the laws of this state, by national banks or federal savings and loan associations having their principal place of business in this state, or by a lender that is approved by the Secretary of the United States Department of Housing and Urban Development for the participation in any mortgage insurance program under the National Housing Act and has its principal place of business in this state, or by any combination thereof; and

3. Such mortgages are transferred or assigned to a corporate trustee acting for the benefit of the holders of such certificates.

(d) Obligations of the Federal National Mortgage Association.

(e) Group annuity contracts of the pension investment type with insurers licensed to do business in this state, except that amounts invested by the board with any one insurer shall not exceed 3 percent of its assets.

(f) Certain interest in real property and related personal property, including mortgages and related instruments on commercial or industrial real

property, with provisions for equity or income participation or with provisions for convertibility to equity ownership; and interest in collective investment funds. Associated expenditures for acquisition and operation of assets purchased under this provision shall be included as a part of the cost of the investment.

1. The title to real property acquired under this paragraph shall be vested in the name of the respective fund.

2. For purposes of taxation of property owned by any fund, the provisions of section 196.199(2)(b), Florida Statutes, do not apply.

3. Real property acquired under the provisions of this paragraph shall not be considered state lands or public lands and property as defined in chapter 253, Florida Statutes, and the provisions of that chapter do not apply to such real property.

(g) General obligations backed by the full faith and credit of a foreign government which has not defaulted on similar obligations for a minimum period of 25 years prior to purchase of the obligation and has met its payments of similar obligations when due.

(h) Obligations of agencies of the government of the United States, provided such obligations have been included in and authorized by the Florida Retirement System Total Fund Investment Plan established in section 215.475, Florida Statutes.

(i) United States dollar-denominated obligations by foreign governments, or political subdivisions or agencies thereof, or foreign corporations or foreign commercial entities.

(3) With no more than 50 percent of its funds in common stock, preferred stock, and interest-bearing obligations of a corporation having an option to convert into common stock, provided:

(a) The corporation is organized under the laws of the United States, any state or organized territory of the United States, or the District of Columbia.

(b) The corporation is listed on any one or more of the recognized national stock exchanges in the United States and conforms with the periodic reporting requirements under the Securities Exchange Act of 1934.

The system board shall not invest more than 10 percent of the equity assets of its funds in the common stock, preferred stock, and interest-bearing obligations having an option to convert into common stock, of any one issuing corporation; and the system board shall not invest more than 3 percent of the equity assets of any funds in such securities of any one issuing corporation except to the extent a higher percentage of the same issue is included in a nationally recognized market index, based on market values at least as broad as the Standard and Poor's Composite Index of 500 Companies, or except upon a specific finding by the system board that such higher percentage is in the best interest of the system board. The system board may only sell listed options to reduce investment risks, to improve cash flow, or to

provide alternative means for the purchase and sale of underlying investment securities. Reversing transactions may be made to close out existing option positions.

(4) With no more than 80 percent of its funds, in interest-bearing obligations with fixed maturity of any corporation or commercial entity within the United States.

For the purpose of determining the above investment limitations, the value of bonds shall be the par value thereof, and the value of evidences of ownership and interest-bearing obligations having an option to convert to ownership shall be the cost thereof. Investments in any securities authorized by this section may be under repurchase agreements or reverse repurchase agreements. Investments made by the system board may be designated to maximize the financial return to the fund consistent with the risks incumbent in each investment and shall be designed to preserve an appropriate diversification of the portfolio. The system board is authorized to buy and sell futures and options, provided the instruments for such purpose are traded on a securities exchange or board of trade regulated by the Securities and Exchange Commission or the Commodity Futures Trading Commission, unless the system board by rule authorizes a different market. The system board is authorized to invest in domestic or foreign national principal contracts.

Section 14. For the purpose of providing funds for any purpose that the system board may deem advisable, the system board is authorized to issue revenue bonds of the Lee Memorial Health System pursuant to the constitution and laws of Florida, in such amounts as the system board may by resolution establish. The principal and interest on such bonds shall be paid from the revenues of the Lee Memorial Health System.

Section 15. For the purpose of providing funds to be used in connection with the Lee Memorial Health System, including the acquisition of land or any interest in land, the system board, at its discretion, is authorized to issue general obligation bonds in amounts necessary to pay the cost thereof. Said bonds shall be issued only after their issuance shall have been approved by a majority of the votes cast at an election of the qualified electors residing in Lee County. Notwithstanding the provisions of any other law, the election concerning the issuance of bonds may be held on the same day as an election held in said county for any other purpose, whether such other election be a primary, general, or special election. The system board may submit the question of issuing bonds authorized by this act at one election and others thereof at one or more subsequent elections. The ballots used at any such election shall state the maximum amount of bonds proposed to be issued. In the event that at any election the issuance of bonds under the authority of this act should not be approved, or if any such election be invalid or ineffective for any reason, the system board may call another election at any time for the same purpose. Except as otherwise provided herein, any election concerning the issuance of bonds as aforesaid shall be called and held and the result thereof canvassed, declared, and recorded in the manner prescribed by chapter 100, Florida Statutes.

Section 16. When any bonds have been issued pursuant to section 15 hereof, there shall be levied and assessed annually, so long as any of said bonds or the interest thereon remain unpaid, an ad valorem tax upon all taxable property, not exempt by law, in Lee County, which tax shall be sufficient in amount to pay the interest on said bonds as it becomes due and the principal thereof at maturity. Such tax shall be levied, assessed, and collected by the same officers and in the same manner as other county ad valorem taxes are levied, assessed, and collected.

Section 17. The bonds herein authorized to be issued by this act may be issued and sold at one time or from time to time, and shall bear such date or dates, be in such denomination or denominations, be payable at such place, bear interest at such fixed or variable rate or rates, and bear such maturity dates as may be permitted by general law, with or without the right of prior redemption, all as may be determined by resolution of the system board, which resolution may prescribe the manner and terms of redemption of any bonds which the system board may elect to make redeemable. The bonds may be issued in coupon form or non-coupon form, may be validated as permitted by law and shall bear the seal of the Lee Memorial Health System. Neither the provisions of this section nor any other provision of this act shall impair, abate, suspend, or invalidate any bond or other debt obligation of the Hospital Board of Directors of Lee County issued prior to the effective date of this act. The Lee Memorial Health System Board of Directors shall, without interruption, continue to have all duties and responsibilities regarding such bonds or obligations as were had by the Hospital Board of Directors of Lee County.

Section 18. Lee Memorial Health System shall be entitled to a lien for all reasonable charges for hospital, physician, and other health care services provided by the Lee Memorial Health System to ill or injured persons, upon the proceeds of all causes of action, suits, claims, counterclaims, and demands accruing to said persons or to their legal representatives, and upon all judgments, settlements, and settlement agreements rendered or entered into by virtue thereof, on account of injuries giving rise to such causes of action, suits, claims, counterclaims, demands, judgments, settlements, or settlement agreements, which injuries shall have necessitated such hospital, physician, and other services provided to such ill or injured persons. Lee Memorial Health System shall perfect and be entitled to enforce such lien as follows:

(1) In order to perfect the lien provided for herein, the Lee Memorial Health System chief executive officer or an employee or employees of the Lee Memorial Health System authorized by the chief executive officer shall, before or within 10 days after such ill or injured person shall have been discharged from a Lee Memorial Health System hospital, file in the office of the Lee County Clerk of Circuit Court, a verified written notice of lien setting forth the name and address of the ill or injured person as they may appear in the records of said health system hospital, the name and location of said hospital, the name and address of the employee or other authorized person preparing the notice of lien, the date of admission to said hospital and the date of discharge from said hospital, the amount claimed to be due for hospital, physician, and other services provided, and to the best knowledge

of the person preparing the notice of lien, the names and addresses of all persons, firms, or corporations who may be claimed by such ill or injured person or by the legal representative of such person, to be liable on account of such illness or injuries. When the notice of lien is filed, a copy thereof shall be sent by United States Postal Service to the ill or injured person, to said person's attorney, if known, and to all persons, firms, or corporations named in such notice of lien. The filing and mailing of the notice of lien in accordance with this section shall be notice thereof to all persons, firms, or corporations who may be liable on account of such illness or injuries, and to any other persons, firms, or corporations that may have an interest in the aforesaid causes of action, suits, claims, counterclaims, demands, judgments, settlements, or settlement agreements, whether or not they are named in the notice of lien, and whether or not a copy of the notice of lien shall have been received by them.

(2) The Lee County Clerk of Circuit Court shall endorse on the written notice of lien the date and hour of filing and shall record said notice of lien in the Official Records of Lee County. The Clerk of Circuit Court shall be entitled to a fee from the Lee Memorial Health System for filing and recording the notice of lien that shall be the same fee as provided by general law for the filing and recording of other instruments.

(3) No release or satisfaction of any cause of action, suit, claim, counterclaim, demand, judgment, settlement, or settlement agreement, shall be valid or effectual as against the lien of Lee Memorial Health System unless the lienholder shall join therein or execute a release of its lien prior to the payment of any proceeds thereof. Any acceptance of a release or satisfaction of any cause of action, suit, claim, counterclaim, demand, judgment, settlement, or settlement agreement in the absence of a release or satisfaction of the lien of Lee Memorial Health System shall prima facie constitute an impairment of such lien and the lienholder shall be entitled to a cause of action for damages against any and all persons, firms, or corporations giving or accepting such release or satisfaction, or paying or accepting the proceeds from the same. In such action, Lee Memorial Health System may recover the full amount of its charges for such hospital, physician, or other health care services; regardless of the amount of proceeds paid or received in impairment of its lien. Satisfaction of a judgment rendered in favor of Lee Memorial Health System in such action shall operate as a satisfaction of the lien. The action by the lienholder shall be brought in the court in Lee County having jurisdiction of the amount of the lienholder's claim. If Lee Memorial Health System shall prevail in such action, it shall be entitled to recover from the defendant or defendants, in addition to costs otherwise allowable by law, all reasonable attorney fees and expenses.

(4) No person shall be entitled to recover or receive damages based on the expense of hospital, physician, or other health care services provided by Lee Memorial Health System unless that person shall affirmatively show that Lee Memorial Health System's charges have been paid. Provided, however, that in any action, suit, or counterclaim brought on account of illness or injury, the plaintiff or counterclaimant may include as an item of damages the expense of such hospital, physician, or other health care services provided by Lee Memorial Health System, if prior to trial he or she shall have

notified Lee Memorial Health System in writing of the pendency of such action, suit, or counterclaim; whereupon the lienholder shall have the right, without leave of court, to intervene in the case and prove the amount of its charges for such hospital, physician, or other health care services. Any judgment rendered in favor of the plaintiff or counterclaimant shall provide that the amount proved by the lienholder to be due shall be deducted from the damages awarded and paid to the Lee Memorial Health System.

(5) The provisions of this section shall not be applicable to accidents or injuries within the purview of the workers' compensation laws of Florida.

Section 19. In the event of a conflict of the provisions of this act with the provisions of any other act, the provisions of this act shall control to the extent of such conflict.

Section 20. This act shall take effect upon becoming a law.

Approved by the Governor June 7, 2000.

Filed in Office Secretary of State June 7, 2000.

Chapter 2023-326

Amendments to Chapter 2000-439 Enabling Act

1 A bill to be entitled
2 An act relating to Lee Memorial Health System, Lee
3 County; amending chapter 2000-439, Laws of Florida;
4 providing quorum requirements for system board
5 meetings; removing a requirement that the health
6 system's annual audit and annual budget be filed with
7 the clerk of the circuit court; revising provisions
8 relating to purchasing real property, entering into
9 financial agreements, and managing funds; providing a
10 process by which the health system may convert to a
11 nonprofit entity; providing construction; removing
12 provisions relating to execution and enforcement of
13 liens; providing for severability; providing an
14 effective date.

15
16 Be It Enacted by the Legislature of the State of Florida:

17
18 Section 1. Section 7, subsections (4) and (7) of section
19 10, and sections 13 and 18 of chapter 2000-439, Laws of Florida,
20 are amended, and new sections 18 and 19 are added to that
21 chapter, to read:

22 Section 7. The system board shall elect annually from its
23 members a chair, vice-chair, secretary, and treasurer, who shall
24 be the officers of the system board. The system board shall
25 cause true and accurate minutes and records to be kept of all

26 business transacted by the system board and shall keep full,
27 true, and complete books of accounts and records, which minutes,
28 records, and books of account and the current line item budget
29 shall at all reasonable times be open and subject to inspection
30 and copying pursuant to the provisions of the constitution and
31 laws of Florida. A majority of the members of the system board
32 shall constitute a quorum of the system board for the purpose of
33 conducting its business and exercising its powers and for all
34 other purposes. Action may be taken by the system board upon an
35 affirmative vote of a majority of those system board members
36 attending a system board meeting at which a quorum is in
37 attendance. All meetings of the system board shall be open to
38 the general public pursuant to general law. At least once a year
39 the system board shall cause the financial records and accounts
40 of the health care system to be audited by a certified public
41 accountant authorized to practice public accounting in Florida
42 and a certified public account audit report to be prepared. ~~The~~
43 ~~audit, together with a copy of the health system's current~~
44 ~~annual budget, shall be filed annually with the Clerk of the~~
45 ~~Circuit Court of Lee County.~~

46 Section 10. The Lee Memorial Health System Board of
47 Directors shall have the authority to operate and conduct the
48 business of the public health system, and consistent therewith,
49 shall have the following powers:

50 (4) The system board may make, or authorize its chief

51 executive officer to make, contracts of all kinds, including,
52 but not limited to, the sale or purchase of real property and
53 may enter into leases of real and personal property of any kind
54 or description, either as lessor or lessee. Any such purchase of
55 real property may be obtained, subject to one or more existing
56 mortgages or may be purchased by installment sale or purchase
57 money financing provided that any such assumed mortgage,
58 installment sale, or new mortgage shall be non-recourse to other
59 property of the system board.

60 (7) The system board may enter into any and all types of
61 derivative agreements as may be used by prudent borrowers,
62 lenders, or investors, which are intended to minimize the risk
63 of financial loss or maximize the financial return in connection
64 with its bonds, notes, or investments, or for any other purpose,
65 subject to the system board's investment policy referenced in
66 section 13.

67 Section 13. Funds of the Lee Memorial Health System may be
68 paid out ~~only~~ upon drafts, checks, wire transfers, electronic
69 bank transfers, or warrants signed or approved by persons duly
70 authorized by the system board to execute such instruments for
71 purposes consistent with this act. The system board may adopt
72 rules for the payment of lesser sums in cash, and a petty cash
73 fund or funds may be established for such purpose with the
74 maximum amount payable in cash in one transaction fixed by the
75 system chief executive officer. All funds of the system board

76 shall be deposited in banks which are qualified under state law
 77 to accept deposits of public funds. In addition to any
 78 investment ~~The system board may deposit or invest its surplus~~
 79 ~~funds in interest-bearing accounts, instruments, or securities,~~
 80 ~~to the fullest extent~~ permitted by general law, the system board
 81 is authorized and empowered to invest any funds in its control
 82 or possession in accordance with an investment policy approved
 83 by the system board consistent with section 218.415, Florida
 84 Statutes, and shall include, among other items, the investment
 85 objectives and permitted securities under the policy. Such
 86 investment policy shall be designed to maximize the financial
 87 return to the fund consistent with the risks incumbent in each
 88 investment and shall be designed to preserve the appropriate
 89 diversification of the portfolio. In addition, the system board
 90 may invest its surplus funds as provided in section 218.415,
 91 Florida Statutes, and in such other investments as are
 92 authorized by the system board and permitted by the system board
 93 investment policy follows:

94 ~~(1) Without limitation in:~~

95 ~~(a) Bonds, notes, or other obligations of the United~~
 96 ~~States or those guaranteed by the United States or for which the~~
 97 ~~credit of the United States is pledged for the payment of the~~
 98 ~~principal and interest or dividends thereof.~~

99 ~~(b) State bonds pledging the full faith and credit of the~~
 100 ~~state and revenue bonds additionally secured by the full faith~~

101 ~~and credit of the state.~~

102 ~~(c) Bonds of the several counties or districts in the~~
 103 ~~state containing a pledge of the full faith and credit of the~~
 104 ~~county or district involved.~~

105 ~~(d) Savings accounts in, or certificates of deposit of,~~
 106 ~~any bank, savings bank, or savings and loan association~~
 107 ~~incorporated under the laws of the United States doing business~~
 108 ~~and situated in this state, the accounts of which are insured by~~
 109 ~~the Federal Government or an agency thereof, in an amount that~~
 110 ~~does not exceed 15 percent of the net worth of the institution,~~
 111 ~~provided such savings accounts and certificates of deposit are~~
 112 ~~secured in the manner prescribed in chapter 280, Florida~~
 113 ~~Statutes.~~

114 ~~(e) Obligations of the Federal Farm Credit Banks and~~
 115 ~~obligations of the Federal Home Loan Bank and its district~~
 116 ~~banks.~~

117 ~~(f) Obligations of the Federal Home Loan Mortgage~~
 118 ~~Corporation including participation certificates.~~

119 ~~(g) Obligations guaranteed by the Government National~~
 120 ~~Mortgage Association.~~

121 ~~(h) Commercial paper of prime quality of the highest~~
 122 ~~letter and numerical rating as provided for by at least one~~
 123 ~~nationally recognized rating service.~~

124 ~~(i) Time drafts or bills of exchange drawn on and accepted~~
 125 ~~by a commercial bank, otherwise known as banker's acceptances,~~

126 ~~which are accepted by a member bank of the Federal Reserve~~
127 ~~System having total deposits of not less than \$400 million.~~

128 ~~(j) Short-term obligations not authorized elsewhere in~~
129 ~~this section, to be purchased individually or in pooled accounts~~
130 ~~or other collective investment funds, for the purpose of~~
131 ~~providing liquidity to any fund or portfolio.~~

132 ~~(k) Securities of, or other interest in, any open-end or~~
133 ~~closed-end management type investment company or investment~~
134 ~~trust registered under the Investment Company Act of 1940, 15~~
135 ~~U.S.C. ss. 80a-1 et seq., as amended from time to time, provided~~
136 ~~that the portfolio of such investment company or investment~~
137 ~~trust is limited to obligations of the United States Government~~
138 ~~or any agency or instrumentality thereof and to repurchase~~
139 ~~agreements fully collateralized by such United States Government~~
140 ~~obligations and provided that such investment company or~~
141 ~~investment trust takes delivery of such collateral either~~
142 ~~directly or through an authorized custodian.~~

143 ~~(2) With no more than 25 percent of its funds in:~~

144 ~~(a) Bonds, notes, or obligations of any municipality or~~
145 ~~political subdivision or any agency or authority of this state,~~
146 ~~if such obligations are rated in any one of the three highest~~
147 ~~ratings by two nationally recognized rating services. However,~~
148 ~~if only one nationally recognized rating service shall rate such~~
149 ~~obligations, then such rating service must have rated such~~
150 ~~obligations in any one of the two highest classifications~~

151 ~~heretofore mentioned.~~

152 ~~(b) Notes secured by first mortgages on Florida real~~
 153 ~~property, insured or guaranteed by the Federal Housing~~
 154 ~~Administration or the United States Department of Veterans~~
 155 ~~Affairs.~~

156 ~~(c) Mortgage pass-through certificates, meaning~~
 157 ~~certificates evidencing ownership of an undivided interest in~~
 158 ~~pools of conventional mortgages on real property which is~~
 159 ~~improved by a building or buildings used for residential~~
 160 ~~purposes for one to four families when:~~

- 161 ~~1. Such real property is located in this state;~~
- 162 ~~2. Such mortgages are originated by one or more banks or~~
 163 ~~savings and loan associations organized under the laws of this~~
 164 ~~state, by national banks or federal savings and loan~~
 165 ~~associations having their principal place of business in this~~
 166 ~~state, or by a lender that is approved by the Secretary of the~~
 167 ~~United States Department of Housing and Urban Development for~~
 168 ~~the participation in any mortgage insurance program under the~~
 169 ~~National Housing Act and has its principal place of business in~~
 170 ~~this state, or by any combination thereof; and~~
- 171 ~~3. Such mortgages are transferred or assigned to a~~
 172 ~~corporate trustee acting for the benefit of the holders of such~~
 173 ~~certificates.~~

174 ~~(d) Obligations of the Federal National Mortgage~~
 175 ~~Association.~~

176 ~~(e) Group annuity contracts of the pension investment type~~
177 ~~with insurers licensed to do business in this state, except that~~
178 ~~amounts invested by the board with any one insurer shall not~~
179 ~~exceed 3 percent of its assets.~~

180 ~~(f) Certain interest in real property and related personal~~
181 ~~property, including mortgages and related instruments on~~
182 ~~commercial or industrial real property, with provisions for~~
183 ~~equity or income participation or with provisions for~~
184 ~~convertibility to equity ownership; and interest in collective~~
185 ~~investment funds. Associated expenditures for acquisition and~~
186 ~~operation of assets purchased under this provision shall be~~
187 ~~included as a part of the cost of the investment.~~

188 ~~1. The title to real property acquired under this~~
189 ~~paragraph shall be vested in the name of the respective fund.~~

190 ~~2. For purposes of taxation of property owned by any fund,~~
191 ~~the provisions of section 196.199(2)(b), Florida Statutes, do~~
192 ~~not apply.~~

193 ~~3. Real property acquired under the provisions of this~~
194 ~~paragraph shall not be considered state lands or public lands~~
195 ~~and property as defined in chapter 253, Florida Statutes, and~~
196 ~~the provisions of that chapter do not apply to such real~~
197 ~~property.~~

198 ~~(g) General obligations backed by the full faith and~~
199 ~~credit of a foreign government which has not defaulted on~~
200 ~~similar obligations for a minimum period of 25 years prior to~~

201 ~~purchase of the obligation and has met its payments of similar~~
 202 ~~obligations when due.~~

203 ~~(h) Obligations of agencies of the government of the~~
 204 ~~United States, provided such obligations have been included in~~
 205 ~~and authorized by the Florida Retirement System Total Fund~~
 206 ~~Investment Plan established in section 215.475, Florida~~
 207 ~~Statutes.~~

208 ~~(i) United States dollar-denominated obligations by~~
 209 ~~foreign governments, or political subdivisions or agencies~~
 210 ~~thereof, or foreign corporations or foreign commercial entities.~~

211 ~~(3) With no more than 50 percent of its funds in common~~
 212 ~~stock, preferred stock, and interest-bearing obligations of a~~
 213 ~~corporation having an option to convert into common stock,~~
 214 ~~provided:~~

215 ~~(a) The corporation is organized under the laws of the~~
 216 ~~United States, any state or organized territory of the United~~
 217 ~~States, or the District of Columbia.~~

218 ~~(b) The corporation is listed on any one or more of the~~
 219 ~~recognized national stock exchanges in the United States and~~
 220 ~~conforms with the periodic reporting requirements under the~~
 221 ~~Securities Exchange Act of 1934.~~

222
 223 ~~The system board shall not invest more than 10 percent of the~~
 224 ~~equity assets of its funds in the common stock, preferred stock,~~
 225 ~~and interest-bearing obligations having an option to convert~~

226 ~~into common stock, of any one issuing corporation; and the~~
227 ~~system board shall not invest more than 3 percent of the equity~~
228 ~~assets of any funds in such securities of any one issuing~~
229 ~~corporation except to the extent a higher percentage of the same~~
230 ~~issue is included in a nationally recognized market index, based~~
231 ~~on market values at least as broad as the Standard and Poor's~~
232 ~~Composite Index of 500 Companies, or except upon a specific~~
233 ~~finding by the system board that such higher percentage is in~~
234 ~~the best interest of the system board. The system board may only~~
235 ~~sell listed options to reduce investment risks, to improve cash~~
236 ~~flow, or to provide alternative means for the purchase and sale~~
237 ~~of underlying investment securities. Reversing transactions may~~
238 ~~be made to close out existing option positions.~~

239 ~~(4) With no more than 80 percent of its funds, in~~
240 ~~interest-bearing obligations with fixed maturity of any~~
241 ~~corporation or commercial entity within the United States.~~

242
243 ~~For the purpose of determining the above investment limitations,~~
244 ~~the value of bonds shall be the par value thereof, and the value~~
245 ~~of evidences of ownership and interest-bearing obligations~~
246 ~~having an option to convert to ownership shall be the cost~~
247 ~~thereof. Investments in any securities authorized by this~~
248 ~~section may be under repurchase agreements or reverse repurchase~~
249 ~~agreements. Investments made by the system board may be~~
250 ~~designated to maximize the financial return to the fund~~

251 ~~consistent with the risks incumbent in each investment and shall~~
 252 ~~be designed to preserve an appropriate diversification of the~~
 253 ~~portfolio. The system board is authorized to buy and sell~~
 254 ~~futures and options, provided the instruments for such purpose~~
 255 ~~are traded on a securities exchange or board of trade regulated~~
 256 ~~by the Securities and Exchange Commission or the Commodity~~
 257 ~~Futures Trading Commission, unless the system board by rule~~
 258 ~~authorizes a different market. The system board is authorized to~~
 259 ~~invest in domestic or foreign national principal contracts.~~

260 Section 18. Conversion to nonprofit entity.-

261 (1) For purposes of this section, "nonprofit entity" means
 262 a Florida not-for-profit corporation operating under chapter
 263 617, Florida Statutes.

264 (2) The system board may elect, by a majority vote of the
 265 members present and voting, to commence an evaluation of the
 266 benefits to the residents of Lee County of converting Lee
 267 Memorial Health System to a nonprofit entity if the system board
 268 and the Lee County Board of County Commissioners execute an
 269 agreement that meets the requirements of subsection (5). In
 270 evaluating the benefits of converting Lee Memorial Health System
 271 to a nonprofit entity, the system board must:

272 (a) Publish notice of and conduct a public meeting in
 273 accordance with section 189.015(1), Florida Statutes, to provide
 274 the residents of Lee County with the opportunity to publicly
 275 testify regarding the conversion. The public hearing must be

276 held at a meeting other than a regularly noticed meeting or an
277 emergency meeting of the system board.

278 (b) Contract with an independent entity that has at least
279 five years of experience conducting comparable evaluations of
280 hospital organizations similar in size and function to Lee
281 Memorial Health System to conduct the evaluation according to
282 applicable industry best practices. The independent entity may
283 not have any current affiliation with or financial involvement
284 in Lee Memorial Health System or with any current member of the
285 system board.

286 (c) Publish all documents considered by the system board
287 on the Lee Memorial Health System website.

288 (3) The evaluation must be completed and a final report
289 presented to the system board no later than 180 days after the
290 date on which the vote is taken by the system board to evaluate
291 the conversion. The final report shall be published on the Lee
292 Memorial Health System website. The final report must include a
293 statement signed by the chair of the system board and the chief
294 executive officer of the independent entity conducting the
295 evaluation that, based on each person's reasonable knowledge and
296 belief, the contents and conclusions of the evaluation are true
297 and correct.

298 (4) No later than 120 days after the date on which the
299 system board receives the final report, the system board must
300 determine, by a majority vote, whether the interests of Lee

301 County residents are best served by converting to a nonprofit
 302 entity. If the system board determines that conversion is in the
 303 best interests of Lee County residents, Lee Memorial Health
 304 System must negotiate and draft a proposed agreement with the
 305 Lee County Board of County Commissioners before conversion may
 306 occur.

307 (5) An agreement between the system board and Lee County
 308 must be completed no later than 120 days after the date on which
 309 the public meeting is held to determine if conversion is in the
 310 best interests of Lee County residents. The agreement must be in
 311 writing, dispose of all assets and liabilities of Lee Memorial
 312 Health System, and include:

313 (a) A description of each asset that will be transferred
 314 to Lee County.

315 (b) A description of each liability that will be
 316 transferred to Lee County.

317 (c) The estimated total value of the assets that will be
 318 transferred to Lee County.

319 (d) The estimated total value of the liabilities that will
 320 be transferred to Lee County.

321 (e) A description of all assets that will be transferred
 322 to the succeeding nonprofit entity.

323 (f) A description of all liabilities that will be assumed
 324 by the succeeding nonprofit entity.

325 (g) The estimated total value of the assets that will be

326 transferred to the succeeding nonprofit entity.

327 (h) The total value of the liabilities to be assumed by
328 the succeeding nonprofit entity.

329 (i) If any debts remain, how those debts will be resolved.

330 (j) An enforceable commitment that programs and services
331 provided by Lee Memorial Health System will continue to be
332 provided to residents of Lee County in perpetuity so long as the
333 succeeding nonprofit entity is in operation or, if otherwise
334 agreed to, until the succeeding nonprofit entity has otherwise
335 met all obligations set forth in the agreement.

336 (k) A provision transferring the rights and obligations as
337 agreed to by the system board and Lee County to the succeeding
338 nonprofit entity.

339 (l) Any other terms mutually agreed to by Lee Memorial
340 Health System and Lee County.

341 (6) A current member of the Lee County Board of County
342 Commissioners may not serve on the board of the succeeding
343 nonprofit entity.

344 (7) A current or former member of the system board may
345 serve on the board of the succeeding nonprofit entity.

346 (8) The members of the system board and the Lee County
347 Board of County Commissioners must disclose all conflicts of
348 interest as required by section 112.313, Florida Statutes,
349 including, but not limited to:

350 (a) Whether the conversion will result in a special

351 private gain or loss to any member of the system board or the
352 Lee County Board of County Commissioners.

353 (b) If any current member of the system board will serve
354 on the board of the succeeding nonprofit entity. Such intent to
355 serve on the board of the succeeding nonprofit entity does not
356 disqualify any member from voting on the proposed conversion.

357 (9) The evaluation, agreements, disclosures, and any other
358 supporting documents related to the conversion of Lee Memorial
359 Health System must be published on the websites of Lee Memorial
360 Health System and Lee County for 45 days before the system board
361 and the Lee County Board of County Commissioners may vote on the
362 proposed agreement identified in subsection (5) to convert Lee
363 Memorial Health System to a nonprofit entity.

364 (10) (a) In a public meeting noticed as required pursuant
365 to subsection (2), the system board may approve, by a majority
366 vote plus one, the agreement identified under subsection (5),
367 which approval shall constitute approval of the conversion of
368 Lee Memorial Health System to a nonprofit entity subject to the
369 terms of the agreement.

370 (b) The agreement identified under subsection (5) must be
371 approved by the Lee County Board of County Commissioners in a
372 properly noticed public meeting.

373 (c) If the system board and the Lee County Board of County
374 Commissioners approve the agreement, Lee Memorial Health System
375 shall file a copy of the agreement with the Florida Department

376 of Economic Opportunity no later than 10 days after the date of
377 approval by the Lee County Board of County Commissioners.

378 (11) No later than 30 days after the complete transfer of
379 assets and liabilities as provided in the agreement under
380 subsection (5), Lee Memorial Health System shall notify the
381 Florida Department of Economic Opportunity. The Lee Memorial
382 Health System independent special district shall be dissolved
383 automatically upon receipt of the notice by the department.

384 (12) If the system board and the Lee County Board of
385 County Commissioners fail to approve for any reason an agreement
386 that would result in the conversion of Lee Memorial Health
387 System to a nonprofit entity, Lee Memorial Health System shall
388 continue to exist as an independent special district.

389 Section 19. The provisions of this act shall be construed
390 liberally in order to carry out its purpose effectively. Any of
391 the enumerated powers herein shall not be construed as a
392 limitation against any remaining powers but shall be construed
393 as cumulative.

394 ~~Section 18. Lee Memorial Health System shall be entitled~~
395 ~~to a lien for all reasonable charges for hospital, physician,~~
396 ~~and other health care services provided by the Lee Memorial~~
397 ~~Health System to ill or injured persons, upon the proceeds of~~
398 ~~all causes of action, suits, claims, counterclaims, and demands~~
399 ~~accruing to said persons or to their legal representatives, and~~
400 ~~upon all judgments, settlements, and settlement agreements~~

401 ~~rendered or entered into by virtue thereof, on account of~~
402 ~~injuries giving rise to such causes of action, suits, claims,~~
403 ~~counterclaims, demands, judgments, settlements, or settlement~~
404 ~~agreements, which injuries shall have necessitated such~~
405 ~~hospital, physician, and other services provided to such ill or~~
406 ~~injured persons. Lee Memorial Health System shall perfect and be~~
407 ~~entitled to enforce such lien as follows:~~

408 ~~(1) In order to perfect the lien provided for herein, the~~
409 ~~Lee Memorial Health System chief executive officer or an~~
410 ~~employee or employees of the Lee Memorial Health System~~
411 ~~authorized by the chief executive officer shall, before or~~
412 ~~within 10 days after such ill or injured person shall have been~~
413 ~~discharged from a Lee Memorial Health System hospital, file in~~
414 ~~the office of the Lee County Clerk of Circuit Court, a verified~~
415 ~~written notice of lien setting forth the name and address of the~~
416 ~~ill or injured person as they may appear in the records of said~~
417 ~~health system hospital, the name and location of said hospital,~~
418 ~~the name and address of the employee or other authorized person~~
419 ~~preparing the notice of lien, the date of admission to said~~
420 ~~hospital and the date of discharge from said hospital, the~~
421 ~~amount claimed to be due for hospital, physician, and other~~
422 ~~services provided, and to the best knowledge of the person~~
423 ~~preparing the notice of lien, the names and addresses of all~~
424 ~~persons, firms, or corporations who may be claimed by such ill~~
425 ~~or injured person or by the legal representative of such person,~~

426 ~~to be liable on account of such illness or injuries. When the~~
427 ~~notice of lien is filed, a copy thereof shall be sent by United~~
428 ~~States Postal Service to the ill or injured person, to said~~
429 ~~person's attorney, if known, and to all persons, firms, or~~
430 ~~corporations named in such notice of lien. The filing and~~
431 ~~mailing of the notice of lien in accordance with this section~~
432 ~~shall be notice thereof to all persons, firms, or corporations~~
433 ~~who may be liable on account of such illness or injuries, and to~~
434 ~~any other persons, firms, or corporations that may have an~~
435 ~~interest in the aforesaid causes of action, suits, claims,~~
436 ~~counterclaims, demands, judgments, settlements, or settlement~~
437 ~~agreements, whether or not they are named in the notice of lien,~~
438 ~~and whether or not a copy of the notice of lien shall have been~~
439 ~~received by them.~~

440 ~~(2) The Lee County Clerk of Circuit Court shall endorse on~~
441 ~~the written notice of lien the date and hour of filing and shall~~
442 ~~record said notice of lien in the Official Records of Lee~~
443 ~~County. The Clerk of Circuit Court shall be entitled to a fee~~
444 ~~from the Lee Memorial Health System for filing and recording the~~
445 ~~notice of lien that shall be the same fee as provided by general~~
446 ~~law for the filing and recording of other instruments.~~

447 ~~(3) No release or satisfaction of any cause of action,~~
448 ~~suit, claim, counterclaim, demand, judgment, settlement, or~~
449 ~~settlement agreement shall be valid or effectual as against the~~
450 ~~lien of Lee Memorial Health System unless the lienholder shall~~

451 ~~join therein or execute a release of its lien prior to the~~
452 ~~payment of any proceeds thereof. Any acceptance of a release or~~
453 ~~satisfaction of any cause of action, suit, claim, counterclaim,~~
454 ~~demand, judgment, settlement, or settlement agreement in the~~
455 ~~absence of a release or satisfaction of the lien of Lee Memorial~~
456 ~~Health System shall prima facie constitute an impairment of such~~
457 ~~lien and the lienholder shall be entitled to a cause of action~~
458 ~~for damages against any and all persons, firms, or corporations~~
459 ~~giving or accepting such release or satisfaction, or paying or~~
460 ~~accepting the proceeds from the same. In such action, Lee~~
461 ~~Memorial Health System may recover the full amount of its~~
462 ~~charges for such hospital, physician, or other health care~~
463 ~~services; regardless of the amount of proceeds paid or received~~
464 ~~in impairment of its lien. Satisfaction of a judgment rendered~~
465 ~~in favor of Lee Memorial Health System in such action shall~~
466 ~~operate as a satisfaction of the lien. The action by the~~
467 ~~lienholder shall be brought in the court in Lee County having~~
468 ~~jurisdiction of the amount of the lienholder's claim. If Lee~~
469 ~~Memorial Health System shall prevail in such action, it shall be~~
470 ~~entitled to recover from the defendant or defendants, in~~
471 ~~addition to costs otherwise allowable by law, all reasonable~~
472 ~~attorney fees and expenses.~~

473 ~~(4) No person shall be entitled to recover or receive~~
474 ~~damages based on the expense of hospital, physician, or other~~
475 ~~health care services provided by Lee Memorial Health System~~

476 ~~unless that person shall affirmatively show that Lee Memorial~~
 477 ~~Health System's charges have been paid. Provided, however, that~~
 478 ~~in any action, suit, or counterclaim brought on account of~~
 479 ~~illness or injury, the plaintiff or counterclaimant may include~~
 480 ~~as an item of damages the expense of such hospital, physician,~~
 481 ~~or other health care services provided by Lee Memorial Health~~
 482 ~~System, if prior to trial he or she shall have notified Lee~~
 483 ~~Memorial Health System in writing of the pendency of such~~
 484 ~~action, suit, or counterclaim; whereupon the lienholder shall~~
 485 ~~have the right, without leave of court, to intervene in the case~~
 486 ~~and prove the amount of its charges for such hospital,~~
 487 ~~physician, or other health care services. Any judgment rendered~~
 488 ~~in favor of the plaintiff or counterclaimant shall provide that~~
 489 ~~the amount proved by the lienholder to be due shall be deducted~~
 490 ~~from the damages awarded and paid to the Lee Memorial Health~~
 491 ~~System.~~

492 ~~(5) The provisions of this section shall not be applicable~~
 493 ~~to accidents or injuries within the purview of the workers'~~
 494 ~~compensation laws of Florida.~~

495 Section 2. If any section, paragraph, sentence, clause,
 496 phrase, or other part of this act is declared unconstitutional,
 497 or if this act is declared inapplicable in any case, such
 498 declaration does not affect the remainder of the act or the
 499 applicability of the act in any other case.

500 Section 3. This act shall take effect upon becoming a law.