

CO-APPLICANT AGREEMENT

This Co-Applicant Agreement (“Agreement”) is entered into effective 08/26/2024 by and between the Navarro County Ambulatory Care Association Governing Board (“Navarro County Ambulatory Care Association”), and Navarro County (County”) (hereinafter collectively referred to as “the Parties”).

WHEREAS, Navarro County intends to apply to the United States Department of Health and Human Services Health Resources and Services Administration (“HRSA”), pursuant to Section 330 (e) of the Public Health Services Act, for status as a Federally Qualified Health Center and/or Federally Qualified Health Center Look-Alike (collectively referred to as “FQHC designation”) to support the planning and delivery of services to medically underserved populations. This program supports the Navarro County’s goal of primary care for the low-income population (“Program”);

WHEREAS, as a condition of the receipt of the FQHC designation, the Program must have a governance structure that complies with HRSA requirements, including establishment of a governing board with certain powers relating to the Program;

WHEREAS, the Parties have agreed Navarro County will serve as the FQHC public entity and the Navarro County Ambulatory Care Association will operate as the “Co-applicant” governing board consistent with the requirements of Section 330, the law’s implementing regulations and the policies of HRSA;

WHEREAS, in order to accomplish their joint interests, Navarro County and the Navarro County Ambulatory Care Association through this Co-Applicant Agreement wish to clearly define their responsibilities with respect to the governance and operation of the Program consistent with Section 330 rules and regulations, as well as the terms and conditions set forth in HRSA policies regarding co-applicants;

WHEREAS, the Navarro County Ambulatory Care Association establishes policies and procedures designed to ensure the Health Center’s provision of preventive, primary and supplemental health care services (including health education and enabling services) to the residents of the service area and surrounding counties, regardless of an individual’s or family’s ability to pay;

NOW THEREFORE, in consideration of the promises and the mutual covenants set forth in this Agreement, the receipt and adequacy of which are acknowledged by the Parties to this Agreement, Navarro County and Navarro County Ambulatory Care Association hereby agree as follows:

Section 1. Establishment of Co-Applicant Board:

The Navarro County Ambulatory Care Association will serve as the primary governance structure for the Program, will do so in accordance with its bylaws, will do so in conjunction with Navarro County, and shall exercise the governance powers for the Program as set forth in this agreement.

Section 2. Purpose:

The Navarro County Ambulatory Care Association shall oversee the implementation and operation of the Section 330 Program in accordance with the terms of this Agreement and the Bylaws as adopted by Navarro County and the Navarro County Ambulatory Care Association. The Navarro County Ambulatory Care Association shall set priorities and goals for the Program, monitor, provide input and feedback to the County and evaluate the Program, and act as the governing board of the Program.

Section 3. Membership and Appointment:

A. Membership

As set forth in the Navarro County Ambulatory Care Association (NCACA) Bylaws, membership in the Navarro County Ambulatory Care Association governing board will comply with Section 330 requirements. The Navarro County Ambulatory Care Association governing board shall consist of between nine (9) and twenty-five (25) voting members who are residents of the service area as defined by the current scope of project for the FQHC. The governing board shall consist of at least 51% "user" members who are registered patients of the Navarro County Ambulatory Care Association and have accessed the clinics in the past 24 months to receive at least one or more in scope services that generated a clinic visit. User members must constitute at least 51% of the Navarro County Ambulatory Care Association membership. The user members of the governing board shall be representative of the geographical areas served by the Program and, as a group, shall represent the Program's user population in terms of demographic factors such as ethnicity, location of residence, race, gender, age, and economic status. The remainder of the Navarro County Ambulatory Care Association governing board shall have five (5) "non-user" members who are selected for their expertise in finance, healthcare, social services, local government, or some other skill.

No NCACA governing board member shall be an employee or an immediate family member of an employee of the NCACA or Navarro County. No more than half of the non-user members may receive more than 10% of their income from the healthcare industry as required by HRSA.

B. Appointment

Navarro County shall have no authority to appoint members of the Navarro County Ambulatory Care Association.

Section 4. Meeting:

A. Regular Meetings

The Navarro County Ambulatory Care Association governing board shall hold monthly meetings.

B. Quorum

A quorum is necessary to conduct business and make recommendations. A quorum shall be constituted by the presence of most of the voting membership. A majority vote of a quorum is required to take any action.

Section 5. Roles and Responsibilities of Navarro County Ambulatory Care Association:

The Navarro County Ambulatory Care Association governing board shall have the following authority as required by HRSA and consistent with state and local law:

- A. To hold monthly meetings and maintain records/minutes that verify and document the Navarro County Ambulatory Care Association's functioning.
- B. To approve and recommend the annual health center budget.
- C. To review and approve the annual audit of the Program.
- D. To approve applications and renewals related to the FQHC designation. The annual budget and application will be approved by the Navarro County Ambulatory Care Association for each fiscal period.
- E. To participate in the selection, evaluation, and dismissal of the Program Director in a manner consistent with the State law and Navarro County Board of Supervisor's approved personnel policies.
- F. To establish general policies necessary and proper for the efficient and effective operation of the Program. Review and approve the scope and availability of services, location and hours of services.
- G. To provide periodic evaluation of the effectiveness of the Program in making services-accessible to service area residents through a review of its long-term strategic planning goals.
- H. To review and approve a procedure for hearing and resolving patient grievances regarding the Program.
- I. To evaluate the Program's activities, including client satisfaction and achievement of quality improvement measures, and achievement of project objectives.
- J. To review and evaluate compliance with the quality assurance programs.
- K. To maintain compliance with applicable federal, state and local laws, rules and regulations.
- L. Develop and approve policies for billing and collections activities, including policies regarding determinations of eligibility for services, charge structure, and criteria for sliding fee discount schedules.

- M. Develop and amend Navarro County Ambulatory Care Association by-laws that are current, meet all legal and regulatory requirements, including those established by HRSA, and provide an effective framework for governance.
- N. Conduct an annual self-evaluation.
- O. Review and approves credentialing and privileging policies and approves credentials and privileges as specified in policies.
- P. Approve and implement conflict of interest policies.
- Q. Developing, adopting, and periodically updating policies for financial management practices, including policies and procedures designed to ensure sound financial management of the Program.
- R. Providing for an annual financial audit.
- S. Disbursing FQHC funds in accordance with the federally approved budget. The parties understand and agree that the program income and grant funds shall be used solely for the purposes allowed by the Program scope of services. Any FQHC funds remaining after the end of the fiscal year shall be used as allowable according to the HRSA Compliance Manual regarding expenditure of income related to in-scope services/sites.
- T. Developing long-range and operational plans for the Program.
- U. Developing the Program's annual operating and capital budgets.
- V. Implementing the Program's policies and procedures for ensuring quality of care under the Program.
- W. Assuring that the Program is operated pursuant to all applicable program requirements and grant conditions, related federal statutes, rules, and regulations, and other Federal, State, and local laws and regulations.

Section 6. Roles and Responsibilities of County

Navarro County shall retain certain governance responsibilities and authorities with respect to the Program. Navarro County shall have the sole authority to determine any policies governing the Program related labor relations and conditions of employment. The Navarro County Ambulatory Care Association may not adopt any policy or practice, or take any action, which is inconsistent with, or which alters the scope of any policy set by Navarro County on personnel issues or which asserts control over any non-Program funds. NCACA may establish its own leave and sick time policies.

Specific responsibilities of the Navarro County shall include, but not be limited to, the following:

- A. Serve as the grantee of record for FQHC designation and, if applicable, grant funding.
- B. Preparing personnel or financial reports for the Program and any other reports reasonably requested by the Navarro County Ambulatory Care Association to enable the Navarro County Ambulatory Care Association to fulfill its responsibilities for the Program.
- C. Establishing and periodically updating personnel policies and procedures applicable to all County employees assigned to the Program. All Program personnel shall be employees of the Navarro County and shall be subject to the Navarro County Charter and relevant laws. Navarro County shall be responsible for the payment of wages, fringe benefits, workers' compensation, retirement and unemployment compensation for Program personnel from Program resources.
- D. Maintaining archives of Navarro County Ambulatory Care Association related documents as required by law.

Section 7. Shared Responsibilities

Navarro County, or its designee, and the Navarro County Ambulatory Care Association will collaborate and coordinate as needed to ensure successful implementation of the Program. The Parties shall coordinate efforts to meet their respective obligations under this agreement and shall cooperate to communicate and resolve any issues between the Parties.

Shared responsibilities include:

- A. Selecting, evaluating and dismissing the Program Director as follows:
 - A.1. Selection/Hiring: The Program Director will be recruited by Navarro County Ambulatory Care Association according to Navarro County Charter, policies, procedures, and relevant State laws.
 - A.2. Annual evaluation: It shall be the Navarro County Ambulatory Care Association's responsibility to evaluate and provide feedback to the Program Director on his/her performance related to the operation of the Program. It shall be the Navarro County, or the designee's responsibility, to provide feedback to the Navarro County Ambulatory Care Association Governing Board regarding any performance-related concerns of the Program Director.
 - A.3. Removal/dismissal: The Navarro County Ambulatory Care Association has the authority to dismiss the Program Director from his/her Program responsibilities and/or terminate Navarro County employment. The Navarro County Ambulatory Care Association will follow Navarro County's applicable personnel policies regarding any such dismissals.

A.4. FQHC and Related Program Applications: Navarro County, or its designee, shall collaborate with Navarro County Ambulatory Care Association to submit all FQHC-related applications or materials to HRSA under the Navarro County credentials. Navarro County shall establish the FQHC Program Director, at a minimum, as an Authorized Official in its Login.gov, SAM, grants.gov, and any other online portals, as applicable to the oversight or operations of the FQHC. Navarro County, or its designee, shall ensure that NCACA staff have access to all County-administered or County-controlled portals necessary to conduct the business of the FQHC.

Section 8. NAVARRO COUNTY Support of NAVARRO COUNTY AMBULATORY CARE ASSOCIATION:

By engaging in this co-applicant agreement, the County does not specifically authorize financial support to the FQHC, although such support is not specifically prohibited.

Section 9. Term:

This Agreement shall begin on 08/26/2024 and shall remain in effect during the project period of any FQHC designation period. Subject to any Federal and/or State regulatory approval that might be required to terminate the operation of the Program, nothing in this Agreement is intended to require, nor should be construed to require, that the Health Center remain in operation.

Section 10. Modification or Termination of the Co-Applicant Agreement:

Notwithstanding any other provision in this Agreement to the contrary, if the Program is no longer designated under Section 330 of the Public Health Services Act or any successor to or substitute Act(s), this Agreement shall terminate.

Modifications, amendments, or waivers of any provision of this Agreement may be made only by written mutual consent of the parties, signed by their duly authorized representatives.

Any party may terminate this Agreement upon six (6) months' written notice to the other parties. A copy of any notice of termination shall be provided to HRSA as the granting authority.

Section 11. Dispute and Conflict Resolution:

The Parties will use their best efforts to carry out the terms of this Agreement in the spirit of cooperation and will resolve by negotiation any disputes or conflicts occurring hereunder.

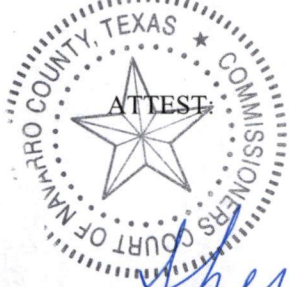
IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representatives.

County: Navarro County, Texas
300 West 3rd Avenue
Corsicana, Texas 75110

NCACA: Navarro County Ambulatory Care Association
618 North Main Street
PO BOX 2222
Corsicana, Texas 75110 (PO BOX 75151)

Either Party may, by written notice to the other party, specify a different person and address for notice purposes.

APPROVED AND RATIFIED by Navarro County, Texas this _____ day of _____, 2024.



Sherry Donald
County Clerk
Navarro County, Texas

By: [Signature]
HM Dayenport
County Judge

APPROVED AND RATIFIED by the Board of Directors of the Navarro County Ambulatory Care Association
this _____ day of _____, 2024.

ATTEST: NAVARRO COUNTY AMBULATORY CARE ASSOCIATION

Secretary

By: _____
President