Attachment 5 to Staff Report for Proposed Ordinance 2025-0290
2nd Amendment to the HSA Section Change Comparison Chart. New language in red.

HSA Section	Underlying Language	2nd Amendment	Effect
1.7 Capital Improvement Plan or CIP	The County Council approved six-year long range capital improvement plan for the Medical Center.	The County Council-approved Capital Improvement Plan includes capital projects that are funded by Harborview Medical Center revenues or available cash reserves. The CIP shall be developed and submitted on an annual basis and may include muti-year projects that are budgeted on a total project-cost basis.	Council would approve the HMC Capital Improvement Plan on an annual basis instead of on a six-year long range plan. The annual plan may include multi-year projects budgeted on a total project-cost basis. Executive staff indicate that, this change would align the Capital Improvement Plan for Harborview with the way the County manages other capital funds, including those that support Harborview.
Add new definitions	None	1.56 Other Medical Center-Related Capital Projects. All capital projects funded by sources other than the 2020 Proposition 1 Capital Program, including but not limited to major maintenance, repairs, replacement, renovations, or other capital projects to construct, acquire, or add to the Medical Center buildings, physical plant, and components thereof. 1.57 County Hospital Tax. The tax authorized by RCW 36.62.090, which allows the County to annually levy a property tax for the operation, maintenance, and capital expenses of the County hospital, and any outpatient clinics operated by the County hospital, and for the payment of principal and interest on bonds issued for such purposes.	Would add a new definition for capital projects funded by sources other than the 2020 Prop 1 Capital Program, and a definition for the County Hospital Tax first issued in 2025.
3.1.9 Capital Planning and Property	The University shall be responsible for the management, design, planning, development and contract oversight of Board-approved Medical	The University shall be responsible for the management, design, planning, development and contract oversight of Board-approved Medical Center capital projects funded either by	The HSA requires that projects exceeding $5M, adjusted

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	Center capital projects funded either by Medical Center revenues and/or with University support, which are budgeted, over the life of the project, for an amount not exceeding five-million dollars ($5,000,000), which amount shall increase automatically each year in an amount consistent with the Consumer Price Index for that year. Such projects shall be procured and delivered in accordance with University procurement and delivery policies, procedures and statutes, and KCC 2.42.080. The University shall be authorized to execute all documents necessary to complete such projects. All other capital projects shall be subject to, planned and administered consistent with the KCC, as it now reads or is hereafter amended. The Parties will work together to propose amendments to the KCC as necessary and desirable to facilitate efficient capital activities. The CPOC, through unanimous consensus of its members, shall provide oversight of bond-financed capital projects.	Medical Center revenues and/or with University support, (a) which are budgeted, over the life of the project, for an amount not exceeding five-million dollars ($5,000,000) in 2015 dollars, which amount shall increase automatically each year in an amount consistent with the Consumer Price Index for that year or (b) for projects which the County Executive and University agree in writing shall be the responsibility of the University. Such projects shall be procured and delivered in accordance with University procurement and delivery policies, procedures and statutes, and KCC 2.42.080. The University shall be authorized to execute all documents necessary to complete such projects. All other capital projects shall be subject to, planned and administered consistent with the KCC, as it now reads or is hereafter amended. The Parties will work together to propose amendments to the KCC as necessary and desirable to facilitate efficient capital activities. The CPOC, through unanimous consensus of its members, shall provide oversight of bond-financed capital projects.	annually,[1] shall be managed by the County. This change would provide the ability for projects exceeding this threshold to be managed by the University if the Exec and University agree in writing.
6.4.2 Support for Mission Population	By December 31 of each year and subject to Section 6.4.3 below, the Board shall allocate from Medical Center revenues or reserves five million dollars ($5,000,000) to a fund to support Mission Population programs and services that are currently being provided by the County. The $5 million annual allocation is subject to adjustment as set forth in Section 6.4.3.	By December 31 of each year but subject to Section 6.4.3 below, the Board shall allocate from authorized Medical Center revenues or reserves five million dollars ($5,000,000) to a fund to support Mission Population programs and services that are currently being provided by the County.	Would add reference to new section 6.4.3 related to the increased term limited payment supporting mission population programs and services.
6.4.3	**Program Efficiencies.** The Parties will immediately work together to identify ways to provide services to the Mission Population more efficiently. A committee comprised of representatives from the County, the Board, and UW Medicine will endeavor to identify, and, where feasible and appropriate, implement (1) efficiencies leading to a reduction in costs	**Increased Support for Mission Population.** In response to an urgent, increased need to support Mission Population programs and services that are provided by the County, the Board shall allocate, from authorized Medical Center revenues or reserves, three payments of twenty-eight million dollars ($28,000,000) each by December 31 of 2025, 2026, and 2027 to a County fund to support Mission Population programs and services to be provided by the County ("Increased Mission Payments").	Would replace the original Section 6.4.3. relating to a committee convened to identify program efficiencies within Public Health with a new Section 6.4.3. establishing

[1] Increased annually by the Consumer Price Index. In 2025, this amount is $7,187,000.

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	incurred by the County, including any variable overhead expense, and (2) new funding and revenue sources that would not otherwise reasonably be received by the County. Contributions eligible for reducing the allocation may be cash or in-kind. The Parties and the committee will work in good faith to make these program efficiencies substantial and permanent. The allocation described in Section 6.4.2 will be reduced by an amount agreed to by the Parties based upon reductions in costs incurred by the County or new funding sources that would not otherwise be received by the County. The Board shall disburse the allocation in Section 6.4.2 reduced by any agreed-upon reductions to the County by December 31st of each year.	6.4.3.1 The Board makes these increased payments in recognition of the Parties' shared interest in stabilizing programs and services to the Mission Population. 6.4.3.2 The University shall ensure that no County Hospital Tax revenue is used to make Mission Population support payments, including the Increased Mission Payments. 6.4.3.3 Except as provided in 6.4.3.4, the Board shall not be obligated to make any payments to the County to support the Mission Population, including Increased Mission Payments, after the third and final payment of $28,000,000 by December 31, 2027. 6.4.3.4 As additional consideration for the Increased Mission Payments in 2025, 2026, and 2027, the County will release its rights to receive annual allocations of five million dollars ($5,000,000) to support Mission Population programs and services provided by the County, as described in 6.4.2, except that if the County is required or compelled, as determined in the sole discretion of the County, to return the Increased Mission Payments to the Board, then the Board shall authorize payments to the County from Medical Center authorized revenues or reserves of five million dollars ($5,000,000) for each Increased Mission Payment the County returns to the Board and thereafter the provisions of Section 6.4.2. shall apply. In the instance that the County is required or compelled, as determined in the sole discretion of the County, to partially return the Increased Mission Payments to the Board, any payments thereafter due to the County pursuant to Section 6.4.2, whether retroactive or prospective in nature, shall be offset by the amount of Increased Mission Payments not returned.	increased, term-limited support for mission population programs and services. This section would eliminate the annual payment of $5 million in exchange for three annual payments of $28 million (paid in 2025, 2026 and 2027) After the third payment of $28 million by December 31, 2027, the Board would no longer be obligated to make additional payments to support mission population programs and services. This section also includes the first of two statements in the proposed amendment forbidding the use of County Hospital Tax proceeds intended for HMC operations to satisfy the Mission Population support payment.
6.4.4. Extraordinary Circumstances	Under extraordinary circumstances, the Board may submit a request to the County Executive and the County Council to suspend some or all of an annual allocation. This request shall include a summary of the actions taken by the Board to address the extraordinary circumstances. Provided however, before the Board may suspend any allocation, the County Council, by	Delete 6.4.4.	Would remove the provision providing the ability for the Board to request a suspension of the mission population payment in the event of

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	motion, must approve the request, reject the request, or change the amount requested by the Board to be suspended. The Board and UW Medicine agree that the Medical Center budget will be revised in accordance with the passed motion.		extraordinary circumstances.
Add new Section 8.9		In each year the County levies the County Hospital Tax, the proceeds shall be used at the Medical Center for expenditures allowed under RCW 36.62.090 and as set forth in the County's budget for the applicable fiscal period. The Parties agree that of the amount of County Hospital Tax proceeds appropriated by the County for Medical Center operating expenses, none may be used to satisfy the Mission Population support payment and Increased Mission Payment set forth in Sections 6.4.2 and 6.4.3.	Would forbid the use of County Hospital Tax proceeds intended for HMC operations to satisfy the Mission Population support payment.