

SECOND LEASE AGREEMENT AMENDMENT

THIS SECOND AMENDMENT (the "Second Amendment"), entered into this 1st day of October, 2003 to be effective as of October 1, 2003, by and between **THE LOWER FLORIDA KEYS HOSPITAL DISTRICT**, a body politic and corporate organized under the law of the State of Florida ("Lessor"), acting through its Board of Commissioners, and **KEY WEST HMA, INC.**, a Florida for-profit corporation ("Lessee").

RECITALS

WHEREAS, the parties hereto have previously entered into that certain Lease Agreement dated as of May 1, 1999, as amended by that certain Lease Agreement Amendment dated April 15, 2002, (collectively, the "Lease Agreement"); and

WHEREAS, pursuant to Section 15.6 of the Lease Agreement, the Lease Agreement may not be modified or amended except by an agreement in writing signed by both parties; and

WHEREAS, the parties hereto desire to amend and clarify certain aspects of the Lease Agreement as regards the operations of the Clinic (as described in Section 4.1(i) of the Lease Agreement) and the funding obligations of the Lessor thereon;

NOW, THEREFORE, in consideration of the foregoing, and the mutual covenants and agreements herein contained, Lessor and Lessee hereby agree as follows:

1. Section 2.1(h) of the Lease Agreement shall be deleted, and the following Section 2.1(h) placed in its stead:

"Provided that the Lessor has Three Million Dollars (\$3,000,000) in cash or investment assets, or by virtue of the payment set forth herein does not cause its cash or investment assets balance to fall below said \$3,000,000, amount, the Lessor agrees that during each year of the thirty (30) year Lease term, the Lessor shall fund

an amount up to Five Hundred Thousand Dollars (\$500,000) per year to pay participating physicians, as such term is defined in Section 4.1(i) hereinbelow, practicing in the Lower Florida Keys Hospital District, and who maintain adequate professional liability insurance as determined by Lessee, for either (x) services provided to indigent patients of the Clinic (as described in Section 4.1(i) hereof), including Clinic visits, surgeries and outpatient procedures scheduled as a result of such visits to the Clinic, or (y) services provided to indigent patients seeking medical care and treatment at the Emergency Room of the Hospitals and as a result thereof are referred to a participating physician as an emergent inpatient, or (z) services provided to indigent patients who are admitted by virtue of the Baker Act and are transported directly to the dePoo Hospital facility. For purposes of this Section, the term "investment assets" is not intended to include either unrealized gain, or accrued but unpaid interest, or earned interest in the Escrow Account not swept to the Custodial Account. In the event that the space for the Clinic and administrative support is terminated by the Lessee, then, effective upon termination, all physician services provided after termination shall not be eligible for payment, whether for services provided as a result of referral from the Clinic or the Emergency Room. All payments made pursuant to this covenant, which covenant is a material and significant representation and covenant of the Lessor to Lessee and a material inducement for the Lessee to enter into this Lease Agreement, shall be made in four (4) equal quarterly installments of One Hundred Twenty Five Thousand Dollars (\$125,000) per quarter, during each year of the term of the Lease. Lessee agrees to provide Lessor with administrative accounting and billing services

(at Lessee's cost) for the payments to participating physicians for so long as Lessor continues such funding. Such accounting and billing services shall include but not be limited to providing, on a quarterly basis, a listing of all services provided to indigent patients by patient number, date(s) of service, identity of participating physician and amount paid, as well as a Certification in the form as set forth in Exhibit E attached hereto and made a part hereof, from the physician staffing the Clinic certifying that all participating physicians have accepted all indigent patients referred to him/her; providing on an annual basis a Certification, in the form as set forth in Exhibit F, attached hereto and made a part hereof, from each participating physician, attesting that (i) the medical care needs of the indigent patients being referred to the attesting physician are being met; and (ii) no other governmental program, third party payor or the patient himself/herself has been billed for services on indigent patients for which Lessor has been billed; and providing on an annual basis, a Certification in the form as set forth in Exhibit G, attached hereto and made a part hereof, from Lessee, attesting that the patients receiving services qualify as indigents as defined in Exhibit B. Lessee further agrees to provide Lessor with copies of Lessee's audit testing of such indigent care services which Lessor's auditors can rely upon. Notwithstanding the foregoing, the District shall be credited the amount of \$25,000/year, until the earlier of ten (10) years from October 1, 2001 or the date the District's cash or investment assets reach the three million dollars (\$3,000,000) floor, as reimbursement for disputed reimbursement from the inception of the Lease Agreement through the date hereof, such that the District's obligation hereunder shall not exceed Four Hundred Seventy Five Thousand Dollars

