

**MEMORANDUM OF UNDERSTANDING**  
**BETWEEN**  
**HIDALGO COUNTY**  
**AND**  
**DRISCOLL CHILDREN S HOSPITAL RIO GRANDE VALLEY**

Be it remembered that this MEMORANDUM OF UNDERSTANDING (MOU hereafter) made this the First day of December, 2025 by and between the undersigned representatives of the HIDALGO COUNTY, a local governmental entity, and DRISCOLL CHILDREN'S HOSPITAL RIO GRANDE VALLEY, a non-profit corporation, both located in Edinburg, Hidalgo County, Texas and both organized and existing under the laws of the State of Texas.

**RECITALS**

WHEREAS, Driscoll Children's Hospital Rio Grande Valley is a Texas not-for-profit hospital providing a disproportionate share of healthcare services to the Medicare population in addition to supporting many programs that benefit the indigent, uninsured or underinsured population of Texas.

WHEREAS, Hidalgo County is a body politic and corporate and a political subsidy vision of the State of Texas, established and created pursuant to the Texas Constitution, Article IX, Section 4 and the Texas Health and Safety Code, Chapter 241, and operated in accordance with the said Chapter and Texas Health and Safety Code, Chapter 61, and other applicable laws of the State of Texas;

WHEREAS, Driscoll Children's Hospital Rio Grande Valley desires to participate in the drug discount program established under Section 34GR of the Public Health Services Act (the "340B Program").

WHEREAS, in order to participate in the 340B Program Driscoll Children's Hospital must enter into an agreement with a unit of state or local government pursuant to which Driscoll Children's Hospital Rio Grande Valley commits to provide health care services to low income individuals who are not entitled to Medicare or Medicaid benefits at no reimbursement or considerably less than full reimbursement from such patients;

WHEREAS, Driscoll Children's Hospital Rio Grande Valley desires to *make such* a formal commitment to Hidalgo County Health; and

WHEREAS, Hidalgo County agrees to accept such commitments on behalf of the citizens of Hidalgo County, Texas.

NOW, THEREFORE, in consideration of the mutual agreements and covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, it is mutually agreed and covenanted, under seal, by and between the parties to this MOU, as follows:

1. COMMITMENT OF DRISCOLL CHILDREN'S HOSPITAL RIO GRANDE VALLEY TO PROVIDE INDIGENT CARE.

(a) During the term of this MOU, Driscoll Children's Hospital Rio Grande Valley agrees to continue its historic commitment to the provision of health care to indigent, uninsured and underinsured residents of Hidalgo County, Texas. In 2024, this commitment totaled approximately **\$1,130,000** in lost charges. Pursuant to this commitment, it is the intention of Driscoll Children's Hospital Rio Grande Valley that indigent care provided during the term of this MOU will range generally between \$1,000,000 and \$2,000,000. In any event, Driscoll Children's Hospital Rio Grande Valley will assume that all patients will receive necessary care, as required by law, regardless of the ability to pay.

(b) Driscoll Children's Hospital Rio Grande Valley acknowledges that at no time will Hidalgo County be expected or requested to fund or otherwise pay any compensation whatsoever with respect to the commitment of Driscoll Children's Hospital Rio Grande Valley's set forth in this MOU.

2. ACKNOWLEDGEMENTS OF HIDALGO COUNTY.

(a) Hidalgo County accepts the commitment of Driscoll Children's Hospital Rio Grande Valley set forth above.

(b) Hidalgo County hereby acknowledges that the health care services provided by Driscoll Children's Hospital Rio Grande Valley hereunder are in the public interest and Driscoll Children's Hospital Rio Grande Valley's representation that such health care services are being provided to individuals who are not entitled to benefits under Title XVIII or eligible for assistance under State plan pursuant to the Social Security Act; and

(c) Hidalgo County acknowledges that Driscoll Children's Hospital Rio Grande Valley is providing these health care services at no reimbursement or considerably less than full reimbursement from such patients.

3. REPRESENTATIONS OF DRISCOLL CHILDREN'S HOSPITAL RIO GRANDE VALLEY

(a) As of the date hereof, Driscoll Children's Hospital Rio Grande Valley constitutes a duly organized, validly existing and in good standing under the laws of the State of Texas, with corporate power and authority to enter into and perform its obligations under this MOU; and

(b) It is a tax-exempt corporation under Section 501(c)(3) Internal Revenue Code of the United States, as amended and under applicable laws of the State of Texas.

4. TERM AND TERMINATION

The term of this MOU shall commence on the date first above written and continue until terminated by either party upon not less than sixty (60) days prior written notice to the other party.

5. INDEMNITY OF HIDALGO COUNTY

Driscoll Children's Hospital Rio Grande Valley agrees to indemnify and hold harmless Hidalgo County, its officers, agents, attorneys and employees from any and all claim or claims of any type, kind or description, from whatever source arising or that may arise, directly or indirectly, out of this MOU or participation In the 340B Program.

6. NO DUTY ON PART OF HIDALGO COUNTY

Hidalgo County in acknowledging the representations concerning the provision of indigent, uninsured and underinsured health care by Driscoll Children's Hospital Rio Grande Valley does not agree to undertake any duty or obligation, either now or in the future, to audit or examine the activities of Driscoll Children's Hospital Rio Grande Valley under the 340B Program or any other program or endeavor.

7. NOTICES

All notices required or permitted to be given under this MOU shall be deemed given when delivered by hand or sent by registered or certified mail, return receipt requested, addressed as follows:

Sent to: HIDALGO COUNTY

Attention: Health & Human Services Director  
1304 S. 25<sup>th</sup> Avenue  
Edinburg, TX 78542  
(956) 383-6221  
Email: [HidalgoCountyHHS@hchd.org](mailto:HidalgoCountyHHS@hchd.org)

Sent to: DRISCOLL CHILDREN'S HOSPITAL RIO GRANDE VALLEY

Attention: President  
2820 W. Michaelangelo Drive  
Edinburg, TX 78539

8. GOVERNING LAW AND VENUE

This MOU shall be governed by and construed in accordance with the laws of the State of Texas, and venue of litigation pertaining to same shall be in Hidalgo, Texas.

IN WITNESS WHEREOF, DRISCOLL CHILDREN'S HOSPITAL RIO GRANDE VALLEY AND HIDALGO COUNTY have executed this MOU as of the day and year written above by their duly authorized representatives.

**DRISCOLL CHILDREN'S HOSPITAL RIO GRANDE VALLEY**

By: \_\_\_\_\_  
(Authorized Signature)

\_\_\_\_\_  
(Printed Name)

\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Date)

**HIDALGO COUNTY**

By: \_\_\_\_\_

Date: \_\_\_\_\_

Richard F. Cortes, County Judge

**ATTEST:**

By: \_\_\_\_\_  
Arturo Guajardo, Hidalgo County Clerk

Date: \_\_\_\_\_

**APPROVED AS TO FORM:**

Office of Criminal District Attorney, Toribio "Terry" Palacios

By: \_\_\_\_\_

Date: \_\_\_\_\_