

MEMORANDUM

TO: Members of City Council Health, Safety, Education & Services Committee

**FROM: Debra R. Knapp
T. Shaun Sullivan
Assistant City Attorneys**

DATE: October 8, 2012

SUBJECT: Fiscal Year 2013 Amendments to the Amended and Restated Operating Agreement between Denver Health and Hospital Authority and the City and County of Denver

In 1997 the Denver Health and Hospital Authority was formed and absorbed Denver General Hospital and the medical service functions of the former Denver Department of Health and Hospitals. The City and County of Denver retained the regulatory and some of the public health functions incorporating them into the Department of Environmental Health. The Authority and Denver entered into an Operating Agreement setting forth the services that the Authority provides to Denver and that Denver provides to the Authority. The parties amend the Operating Agreement's appendices annually to adjust and provide funding for the next fiscal year and to make any necessary modifications to the agreement.

Services are divided into Core Services, which the City must purchase from the Authority, Non-Core Services, which the City may purchase from the Authority, and services provided by the City to the Authority. The services are outlined below.

I. Body of the Operating Agreement: No change.

II. Core Services to be Supplied by the Authority to the City

A-1 Patient Care Services.

- Provides funding for care of the medically indigent.
- No change in funding. \$27,977,300.
- Performance criteria updated to focus on medically indigent population.

A-2 Emergency Medical Services

- 2013 funding:
 - Decrease in funding for training services, personnel and supplies provided to the Fire Department EMT-B responders: \$486,100 (2012: \$538,400).
 - Decrease in funding for DIA EMS Paramedic Service \$1,694,500 (2012: \$1,768,100).
- Clarifies that payment for recruit training for EMT certification services will be on a per recruit basis rather than a lump sum amount.

A-3 Public Health Services

- \$2,259,300 (2012: \$2,439,700).
 - Decrease due to completion of replacement air handlers funded by the City.
 - New language that parties will develop and maintain a landing page with an overview of public and environmental health services and contacts.
 - New language that parties will jointly prepare a comprehensive report on the health of Denver and collaborate on health information for publication in “Denver Vital Signs”.
 - Updated language re collaboration on Denver’s community health improvement plan.

A-4 Denver C.A.R.E.S.

- \$3,802,700 (2012: \$3,629,000)
 - Increase primarily due to personnel expenses.

A-5 Substance Treatment Services

- No change.

A-6 Medical Services for Prisoners at Denver Health and Hospital Authority

- No change in budgeted amount: \$4,878,500.
- Added language to provide that charges for each service may not be increased without prior written notice, detailed justification and written agreement of both parties.
- Added language that additional comparative rate information must be provided.

A-7 Denver International Airport (DIA) Medical Clinic-discontinued.

A-8 Denver Health Medical Plan

- No change.
- Details incorporated in a separate agreement.

A-9 Rocky Mountain Poison and Drug Consultation Services

- No change in funding or terms. \$96,900.

A-10 Clinical and Laboratory Services for the City’s Department of Environmental Health

- \$18,000 (2012: \$23,000).
- Minor change in language re services provided.

III. Non-Core Services to be Supplied by the Authority to the City

B-1 Psychiatric Evaluations and Consultation Services

- \$24,000 (2012: \$47,400).
- Decrease due to reduced caseload.

B-2 Family Crisis Center (FCC)

- No change in amount. \$371,100.

- B-3 Expert Witness Services:** added to miscellaneous services in Appendix B-11 in 2008.
- B-4 Center for Occupational Safety and Health (COSH)**
 - Increase in average cost per claim from \$2,936 to \$3,069.
- B-5 Acute and Chronic Health Care at Denver County Jail/Downtown Detention Center**
 - \$9,861,700 (2012: \$9,542,300).
 - Increase due to the addition of a 0.25 FTE psychiatric fellow as well as a 0.75 FTE health information clerk and supplies to address information management needs.
- B-6 HIV/AIDS Drug Reimbursement Option** – discontinued in 2005.
- B-7 Newgenesis Program** – discontinued in 2005.
- B-8 Best Babies Initiative** – discontinued in past years.
- B-9 Physical and Specialty Examinations for Aid to the Needy and Disabled Determination**
 - No change in amount (\$2,000) or services.
- B-10 Head Start Medical Services**
 - No changes.
 - No funding provided by the City’s general fund.
- B-11 Miscellaneous Services**
 - City’s 2013 contribution of \$423,000 to construction of Montbello Family Clinic.
 - City’s 2013 contribution of \$127,900 for land acquisition/construction for Park Hill/Dahlia clinic.
 - City’s Better Bonds amount of \$1,400,000 covers all years for construction of a new Westside clinic.
 - City’s 2013 contribution of \$300,000 for remodel of Lowry Teaching Community Health Center.

IV. C Appendices (Services to be supplied by the City to the Authority)

C-I Career Service Authority

- \$113,600.
- Minor increase in per capita rate.

C-II Manager of Finance

- \$48,700.
- Minor increase in per capita rate.

C-III City Attorney - Employment Law

- Decreases in hourly rates from \$75.95 to \$65.73 for paralegal work and from \$171.71 to \$136.72 for attorney work.

- Aggregate estimated amount of \$150,000 remains the same.

C-IV Central Services Division-discontinued (these services are no longer being used).

C-V Office of Employee Assistance

- \$138,500.
- Minor increase in per capita rate from \$25.57 to \$25.76.
- More detailed scope of work.

C-VI DDHS - Medicaid Expeditors-discontinued

C-VII Workers' Compensation

- Minor change in frequency of claims review and reporting.
- Deletion of obsolete historical data.

C-VIII Tech Services

- No change. \$34,500.

C-IX Denver Police Department

- No change. \$4,000.

C-X Denver Sheriff Department

- \$293,800 (2012: \$286,000)

C-XI Fleet Maintenance - Vehicle Fueling

- \$568,000. Minor increase in amount.

C-XII Denver 911-EMS Universal Call Taker

- Decrease in amount from \$241,300 (2012) to \$203,800 (2013).

C-XIII MBE/WBE

- \$30,000.
- More detailed statement of work.

V. Key Contract Terms

The ordinance will approve an amendment of an intergovernmental agreement between the City and DHHA. The amendment will reflect new funding levels and other necessary adjustments for 2013. The proposed contract amount is for the City to expend funds of \$53,974,900 for DHHA services and for the City to receive funds of \$1,577,224 for City services provided to DHHA.

- a. Vendor/Contractor name: Denver Health & Hospital Authority.
- b. Contract Control Number: CE60436-22.

- c. City's Contract Manager: Nathan Hall (contact persons: Doug Linkhart/Robin Valdez).
- d. Was this contractor selected by competitive process? No-amendment to intergovernmental agreement.
- e. Duration: 12 months.
- f. Renewal terms: renegotiated every year.
- g. Scope of Services with performance benchmarks: Contract has separate appendices for each type of service.
- h. Purpose/Benefit: DHAA provides medical services to Denver residents and City agencies and the City provides some services to DHHA.
- i. Termination by City or Contractor: dispute resolution process outlined in prior versions of the agreement; subject to amendment annually.
- j. WBE/MBE/DBE commitments: yes.
- k. Location: DHHA facilities, at the jail and Downtown Detention Center, and at DIA.
- l. Affected Council District: all Council districts.