

MEMORANDUM

TO: Members of City Council Safety and Well-Being Committee

FROM: T. Shaun Sullivan, Assistant City Attorney

DATE: October 8, 2014

SUBJECT: Fiscal Year 2015 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 (Appendix A).

A-1 Patient Care Services.

- Provides funding for care of the medically indigent.
- 2013: \$27,977,300.
- 2014: \$30,777,300.
- 2015: \$30,777,300.
- Several performance criteria modified.

A-2 Emergency Medical Services

- Increase in funding for DIA EMS Paramedic Service:
2013: \$1,694,500.
2014: \$1,916,000.
2015: \$2,585,500.
- Increase in funding for EMS training to the Fire Department:
2013: \$513,600.
2014: \$547,600.
2015: \$582,300.

- Increase in funding for 911 Call Takers-Medical Direction and QA/QI Services
2013: \$40,371.
2014: \$43,000.
2015: \$88,100.

A-3 Public Health Services

- 2013: \$2,259,300.
- 2014: \$2,243,700.
- 2015: \$2,630,600.
- Added provision that director of the Authority's Public Health Department will serve as medical officer for City's Department of Environmental Health.

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

- 2013: \$3,802,700.
- 2014: \$4,120,800.
- 2015: \$4,075,500.

A-5 Substance Treatment Services

- No change.

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

- 2013: \$4,878,500.
- 2014: \$5,078,500.
- 2015: \$5,078,500.
- Adds reporting re Medicaid billing and enrollment into Affordable Care Act programs.

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

- 2013: \$18,000.
- 2014: \$22,000.
- 2015: \$25,000.

III. Non-Core Services to be Supplied by the Authority to the City (Appendix B).

B-1 Psychiatric Evaluations and Consultation Services

- 2013: \$24,000.
- 2014: \$5,000.
- 2015: \$2,000.
- Minor increase in rates but decrease in type of services.

B-2 Family Crisis Center (FCC)

- 2013: \$371,100.
- 2014: \$333,884.
- 2015: \$468,000.
- More detailed invoicing and flexibility in adjusting services to need.
- Increased personnel costs and addition of .25 FTE physician.
- Decreased funding from other sources.

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 target cost per claim: 2013 (\$3,069); 2014 (\$3,261); 2014 (\$3,437).

B-5 Acute and Chronic Health Care at Denver County Jail/Downtown Detention Center

- 2013: \$9,861,700.
- 2014: 10,481,200.
- 2015: 11,027,800.
- Increased personnel costs.
- Minor capital equipment (\$21,000).

B-6 HIV/AIDS Drug Reimbursement Option – discontinued.

B-7 Newgenesis Program – discontinued.

B-8 Best Babies Initiative – discontinued.

B-9 Physical and Specialty Examinations for Aid to the Needy and Disabled Determination-discontinued.

B-10 Head Start Medical Services

- No changes.
- No funding provided by the City's general fund.

B-11 Miscellaneous Services (capital projects are subject to separate funding agreements).

- SANE (sex abuse nurse training): 2013 \$171,000; 2014 \$175,000; 2015 \$200,000.

- DUI blood draws: 2013 \$15,000; 2014 \$11,000; 2015 \$11,000.
- Park Hill/Dahlia Clinic: City will contribute \$122,600 in 2015.
- South Westside Clinic:
 - 2015 amounts: \$700,000 CIF; \$250,000 General Fund; any 2014 residual BDB.
 - Subject to appropriation each year, the City's planned contributions total \$22,150,000, including: BDB \$1,400,000; CIF \$13,250,000; General Fund \$7,500,000.

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

C-I Career Service Authority

- 2013: \$113,600.
- 2014: \$102,220.
- 2015: \$70,467.
- Decrease in per capita annual rate from \$491 to \$438.

C-II Manager of Finance

- 2013: \$48,700.
- 2014: \$46,400.
- 2015: \$32,616.
- Decrease in per employee annual payroll fee from \$223 to \$202.

C-III City Attorney - Employment Law

- No change in rates.
- Aggregate estimated amount of \$150,000 remains the same.

C-IV Central Services Division-discontinued.

C-V Office of Employee Assistance-discontinued.

C-VI DHS - Medicaid Expeditors-discontinued.

C-VII Workers' Compensation

- No change.

C-VIII Tech Services

- No change. \$34,500.

C-IX Denver Police Department

- Assigned police officer to shift at Authority's Emergency Department.
- \$53,870 (half of cost).

C-X Denver Sheriff Department

- 2013: \$293,800.
- 2014: \$392,430.

- 2015: \$377,728.

C-XI Fleet Maintenance - Vehicle Fueling

- 2013 \$568,000.
- 2014 \$572,400.
- 2015 \$572,369.

C-XII Denver 911-EMS Universal Call Taker for EMS

- 2013: \$203,800.
- 2014: 217,900.
- 2015: 162,400.

C-XIII MBE/WBE

- No change. \$30,000.

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 2014. The proposed contract amount is for the City to expend funds of \$58,471,100 for DHHA services and for the City to receive funds of \$1,487,951 for City services provided to DHHA.

- a. Vendor/Contractor name: Denver Health & Hospital Authority.
- b. Contract Control Number: CE60436-24.
- 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: DHHA provides medical services to Denver residents and City agencies. 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(s): DHHA facilities, County Jail, Downtown Detention Center and DIA.
- l. Affected Council District: all Council districts.