

## MEMORANDUM

**TO:** Members of Denver City Council Safety & Well-being Committee

**FROM:** T. Shaun Sullivan, Debra Knapp, and Nicole D. Franklin, Assistant City Attorneys

**DATE:** October 5, 2015

**SUBJECT:** Fiscal Year 2016 Amendment to the Amended and Restated Operating Agreement between the City and County of Denver and Denver Health and Hospital Authority

Denver Health and Hospital Authority (the “Authority”) was statutorily created in 1997 as a political subdivision of the state. It 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 its regulatory functions and certain public health functions vested in 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 and its appendices annually to adjust and provide funding for the next fiscal year, as well as 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. *Please note that the below numbers from Denver’s Budget and Management Office are rounded.*

### **I. Body of the Operating Agreement.**

One minor change is proposed to the body of the agreement. It clarifies that neither the Authority nor Denver are statutory agents for the other for service of process or for service of a Governmental Immunity Act notice.

### **II. Core Services Supplied by the Authority to the City (Appendix A).**

#### **A-1 Patient Care Services**

- Provides funding for care of the medically indigent.
- 2014: \$30,777,300.
- 2015: \$30,777,300.
- 2016: \$30,777,300.

## **A-2 Emergency Medical Services**

- Added a provision that the Authority's Medical Director will provide consolidated medical direction services, including the emergency administration of Narcan, and moved the budget and oversight from Denver Fire Department to the Department of Safety.
- Increase in funding for DIA EMS Paramedic Service:  
2014: \$1,916,000.  
2015: \$2,585,500.  
2016: \$3,232,800.
- Added a provision that the Authority will provide Emergency Medical Services to Englewood, based upon a 2015 Intergovernmental Agreement between Denver and Englewood.
- Increase in funding for EMS training to the Fire Department:  
2014: \$547,600.  
2015: \$582,300.  
2016: \$1,618,500.
- Increase in funding for 911 Call Takers-Medical Direction and QA/QI Services:  
2014: \$43,000.  
2015: \$88,100.  
2016: \$97,900.

## **A-3 Public Health Services**

- Added a provision for a new shared full-time equivalent (FTE) epidemiologist to provide analytic services.
- 2014: \$2,243,700.
- 2015: \$2,407,100.
- 2016: \$2,366,600.

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

- 2014: \$4,120,800.
- 2015: \$4,075,500.
- 2016: \$3,066,000.
- Added a provision to replace the current Denver C.A.R.E.S. emergency services patrol van, and for the City to donate a vehicle to the Authority for the program in lieu of purchasing a new vehicle.

## **A-5 Substance Treatment Services**

- No change.

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

- Decrease in funding due to Medicaid provider billing and enrollment into Affordable Care Act programs:  
• 2014: \$5,078,500.  
• 2015: \$5,078,500.  
• 2016: \$4,000,000.

**A-7 Denver International Airport (DIA) Medical Clinic** – discontinued in a prior year.

**A-8 Denver Health Medical Plan**

- No change.
- Details incorporated in a separate agreement approved by City Council as part of the City's benefits plans.
- Added language to allow for DHMC to survey City employees.

**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**

- No change.
- 2014: \$22,000.
- 2015: \$25,000.
- 2016: \$25,000.

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

**B-1 Psychiatric Evaluations and Consultation Services**

- 2014: \$5,000.
- 2015: \$2,000.
- 2016: \$2,000.

**B-2 Family Crisis Center (FCC)**

- 2014: \$333,884.
- 2015: \$468,000.
- 2016: \$506,000 (Adds 0.5 FTE Clerk II)

**B-3 Expert Witness Services** – added to miscellaneous services in Appendix B-11 in 2008.

**B-4 Center for Occupational Safety and Health (COSH)**

- Funded through worker's compensation fund.
- Clarifies City's statutory role in designating worker's compensation physicians.
- Ouch Line. This previously standalone contract between the parties has been incorporated into the Operating Agreement.

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

- 2014: 10,481,200.
- 2015: 11,027,800.
- 2016: \$11,676,000.
- Includes funding for 1 new registered nurse/nurse practitioner, 1 new psychiatrist, 1 new registered nurse for jail psychiatric services, a 0.2 FTE dental assistant position, and a \$12,063 upgrade to an existing physician position.
- DSD will also purchase a replacement x-ray machine.

**B-6 HIV/AIDS Drug Reimbursement Option** – discontinued in a prior year.

**B-7 NewGenesis Program** – discontinued in a prior year.

**B-8 Best Babies Initiative** – discontinued in a prior year.

**B-9 Physical and Specialty Examinations for Aid to the Needy and Disabled Determination** – discontinued in a prior year.

**B-10 Head Start Medical Services**

- No changes.
- Federally funded with no funding provided by the City's general fund.

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

- SANE (Sexual Assault Nurse Examiner) Program: 2014: \$175,000; 2015: \$200,000.
  - Forensic photography for cases of domestic violence, non-accidental trauma, or other physical assaults may also be provided by the SANE per law enforcement request and pending the availability of the examiner for a fee of \$175.00.
- Legal Blood Alcohol Draws: 2013 \$15,000; flat since 2014 at \$11,000.
- Park Hill/Dahlia Clinic (capital expenditure): City will contribute \$123,700 in 2016.
- OME Relocation (capital expenditure): Details incorporated into a separate agreement. 2016: \$1,233,000.
- Southwest Family Health Center (capital expenditure):
  - In 2016, \$1,200,000 will be paid by the City in lieu of a moral obligation bond and for construction of the clinic. \$750,000 will be paid by a General Fund transfer to the Capital Improvement Fund. \$450,000 will be paid from the Capital Improvement Fund.
  - From 2017 through 2028, the City will contribute up to \$1,200,000 each year.
  - The City will fund a total amount not to exceed \$22,150,000 for the new clinic.
- At-risk Intervention and Mentoring (AIM) Program:
  - Newly funded violence intervention program based on a trauma-informed care model of intervening with youth when they present to the emergency department for care related to violence.
  - 2016: \$168,000.
- Nurseline:
  - The City will contribute a portion of the cost of the Nurseline to provide telephone advice to patients. The City's share is estimated to be proportionate to the number of calls received from medically indigent callers.
  - 2016: \$111,000.

**B-12 Marijuana Research**

- This previously standalone contract between the parties for marijuana research has been incorporated in the Operating Agreement.
- 2016: \$178,500.

### **B-13 Consultation and Training for Human Services Child Welfare Division**

- Newly funded positions to provide medical team consultation, evaluation, training and referrals for the DHS Child Welfare Division.
- Includes a 0.25 FTE pediatric physician and a 0.5 FTE registered nurse.
- 2016: \$92,000.

### **B-14 Nurse Home Visitation Services**

- Newly funded program to provide nursing health assessment triage for families referred to Denver Health by DHS
- 2016: \$374,200.

## **IV. Services Supplied by the City to the Authority (Appendix C).**

### **C-I Career Service Authority**

- 2014: \$102,220.
- 2015: \$70,467.
- 2016: \$58,000.
- Decrease in per capita annual rate from \$438 to \$394.20 per employee.

### **C-II Department of Finance**

- 2014: \$46,400.
- 2015: \$32,616.
- 2016: \$30,000.
- Increase in per employee annual payroll fee from \$202 to \$208.14.
- Added provision that the City will provide armored vehicle courier services of check and cash deposits for the Authority.
  - 2016: \$7,000.

### **C-III City Attorney - Employment Law**

- Rates increased by 3% commensurate to the average merit increase. New attorney hourly rate of \$141 and new paralegal hourly rate of \$68.
- Aggregate estimated amount of \$150,000 remains the same.

**C-IV Central Services Division**-discontinued in a prior year.

**C-V Office of Employee Assistance**-discontinued in a prior year.

**C-VI DHS - Medicaid Expeditors**-discontinued in a prior year.

### **C-VII Workers' Compensation**

- No change.

### **C-VIII Tech Services**

- 2015: \$34,500.
- 2016: \$35,000.

**C-IX Denver Police Department**

- 2015: \$53,870 (half the cost of one officer).
- 2016: \$57,000 (half the cost of one officer).
- Added provision that the Denver Police Department would provide traffic accident reports to the Authority via facsimile or email.
  - 2016: \$4,000. (Flat from 2015).

**C-X Denver Sheriff Department**

- 2014: \$392,430.
- 2015: \$377,728.
- 2016: \$378,000.

**C-XI Fleet Maintenance - Vehicle Fueling**

- 2014 \$572,400.
- 2015 \$572,369.
- 2016: \$458,000.

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

- 2014: \$217,900.
- 2015: \$162,400.
- 2016: \$163,000.

**C-XIII MBE/WBE**

- No change. \$30,000.

**C-XIV 911 Call Center Lease**

- 2016: \$468,674.

**V. Key Contract Terms.**

The ordinance will approve an amendment of an intergovernmental agreement between the City and the Authority. The amendment will reflect new funding levels and other necessary adjustments for 2016. The proposed contract amount is for the City to expend funds of approximately \$61,156,300 for the Authority's services and for the City to receive funds of approximately \$1,838,769 services provided to the Authority.

- a. Vendor/Contractor name: Denver Health & Hospital Authority.
- b. Contract Control Number: CE60436-26.
- c. City's Contract Manager: Bob McDonald (contact persons: Bob McDonald and Laurel Delmonico).
- 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: The Authority provides medical services to Denver residents and City agencies. The City provides some services to the Authority.
- i.** Termination by City or Contractor: dispute resolution process outlined in Amended and Restated Operating Agreement; subject to amendment annually.
- j.** WBE/MBE/DBE commitments: yes.
- k.** Location(s): DHS, FCC, DHHA facilities, County Jail, Downtown Detention Center and DIA.
- l.** Affected Council District: all Council districts.