

MEMORANDUM

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

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

DATE: October 22, 2013

SUBJECT: Fiscal Year 2014 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.
- 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.
- Increase in funding for EMS training to the Fire Department:
2013: \$513,600.
2014: \$547,600.
- Increase in funding for 911 Call Takers-Medical Direction and QA/QI Services
2013: \$40,371

2014: \$43,000.

- Possible transfer to DHHA of certain DIA vehicles and trailer. (If done, will be by separate agreement).

A-3 Public Health Services

- Minor decrease in funding (2013: \$2,259,300; 2014: \$2,243,700).
- Change in reportable diseases. Will now refer to CO Dept. of Public Health and Environment list.
- Collaboration on community health improvement plan every 5 years.
- Joint submission of county application for public health accreditation.

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

- Increase from 2013 (\$3,802,700) to 2014 (\$4,120,800).
- Includes replacement of van.

A-5 Substance Treatment Services

- No change.

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

- Increase from 2013 (\$4,878,500) to 2014 (\$5,078,500).
- Includes \$200,000 increase to support updated rates.
- Deletes two obsolete reports.
- Adds that services to prisoners who are treated in other facilities on an emergent basis will be billed to and paid by the Authority in the first instance. The Authority will attempt to negotiate favorable discounts with outside providers and, where discounts are granted, will invoice the City net of discount.

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

- Increase in funding from 2013 (\$18,000) to 2014 (\$22,000).

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

B-1 Psychiatric Evaluations and Consultation Services

- Minor changes in rates.
- Decrease in budget from 2013 (\$24,000) to 2014 (\$5,000).

B-2 Family Crisis Center (FCC)

- Decrease from 2013 (\$371,100) to 2014 (\$333,884) due to decreased census.
- Clarification re role and qualifications of medical director.
- Minor change re medication administration.
- Consultation with City required re staffing levels.
- Parties to work on performance metrics in coming year.
- Number of individuals and type of services will be better tracked (admission physicals, illness, injuries, discharge exams, placement exams, consultations, emergency assessments, abuse, neglect, and sexual abuse evaluations).
- Minor change in conflict resolution procedures.

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 from 2013 (\$3,069) to 2014 (\$3,261).

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

- Increase based on current census.
- 2013: \$9,861,700.
- 2014: 10,481,200.

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-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): Increase from \$171,000 to \$175,000.
- DUI blood draws: Decrease from \$15,000 to \$11,000 due to decrease in caseload.

- Community Corrections program services (included in MI Payment in A-1).
- Denver Health Primary Care Clinic-Montbello: contributions completed in 2013.
- Lowry Teaching Community Health Center: contributions completed in 2013.
- Park Hill/Dahlia Clinic: City's contribution of \$128,900 continues in 2014 for land acquisition/construction.
- South Westside Clinic:
 - Subject to appropriations each year, the City's planned contribution includes Better Denver Bonds (BDB) (\$1,400,000) and Capital Improvement Funds (CIF) (\$13,250,000).
 - 2014 amounts are \$450,000 (CIF) and \$1,400,000 BDB.
 - Funding from all sources shall not exceed \$14,650,000 from 2014 through 2028.

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

C-I Career Service Authority

- 2013: \$113,600
- 2014: \$102,220.
- Decrease in per capita annual rate from \$507 to \$491.

C-II Manager of Finance

- 2013: \$48,700.
- 2014: \$46,400.

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

- Revised procedure for reopening closed claims, if necessary.
- Reporting requirements modified.

C-VIII Tech Services

- No change. \$34,500.

C-IX Denver Police Department

- No change. \$4,000.

C-X Denver Sheriff Department

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

C-XI Fleet Maintenance - Vehicle Fueling

- 2013: \$568,000; 2014: \$572,400.

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

- 2013: \$203,800; 2014: 217,900.

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 \$57,830,784 for DHHA services and for the City to receive funds of \$1,519,830 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.