

Denver Health & Hospital Authority Tax Fund IGA Amendment

August 19, 2026

Health & Safety Committee

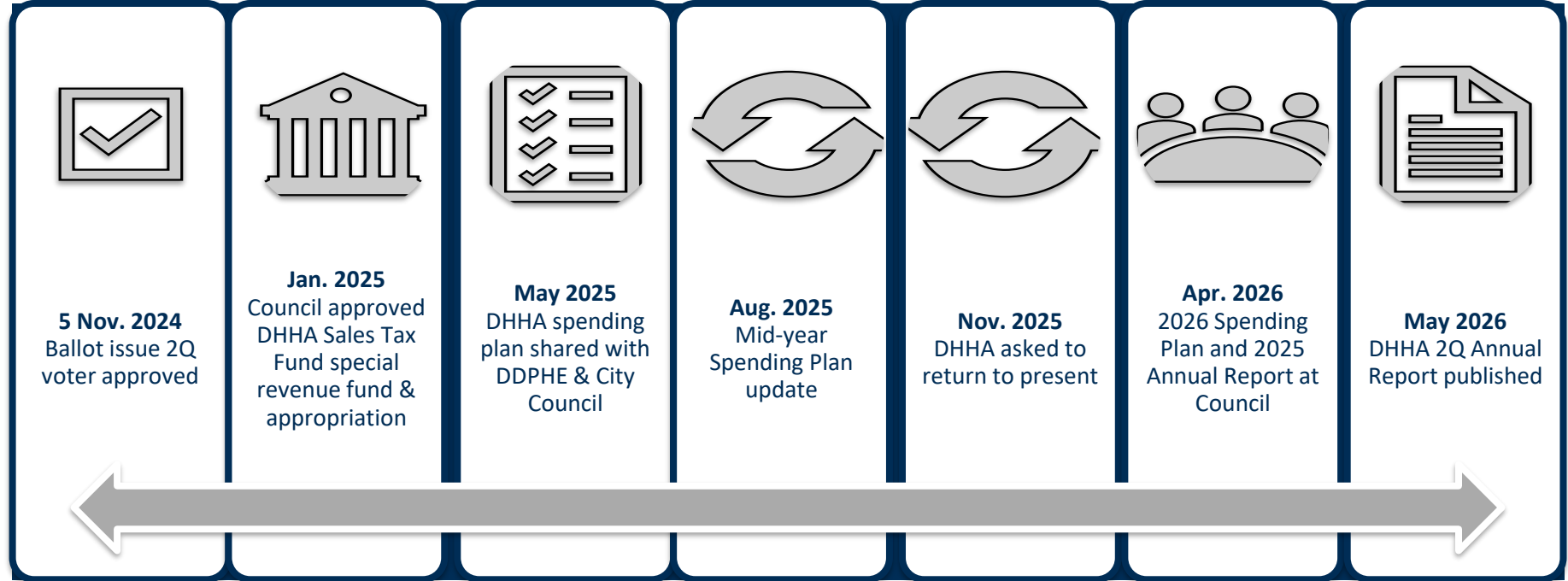
Elise Matatall, Denver Health Sales Tax Administrator

Empowering Denver's communities to live better, longer

Agenda

- **Introductions**
- **Background**
 - Timeline
 - Ballot Issue 2Q
 - Revenue 2025-2027
- **Contract**
 - Overview
 - Accountability
 - Admin Funding to the City
 - Proposed Changes
- **Questions**

Background– Timeline



Original Contract Term: Jan.1, 2025 - Dec. 31, 2026

Background– Ballot Issue 2Q

Sec. 24-708. - Legislative intent [of the Denver Health and Hospital Authority Tax Fund]

“As a **safety net hospital**, a disproportionate percentage of those served by Denver Health are individuals who are **uninsured, underinsured...**;

On average, Denver Health has absorbed approximately \$100 million in each of the last two (2) years for **uncompensated care** being provided to Denver residents....;

Dedicated funding to apply to that gap is necessary to sustain the critically important work and services being provided by Denver Health.....”

Authorizes sales and use tax increase by thirty-four one-hundredths percent (34 cents on a \$100-dollar purchase), to fund:

**Emergency and
trauma care**



**Primary
medical care**



**Mental health
care**



**Drug and
alcohol use
recovery**

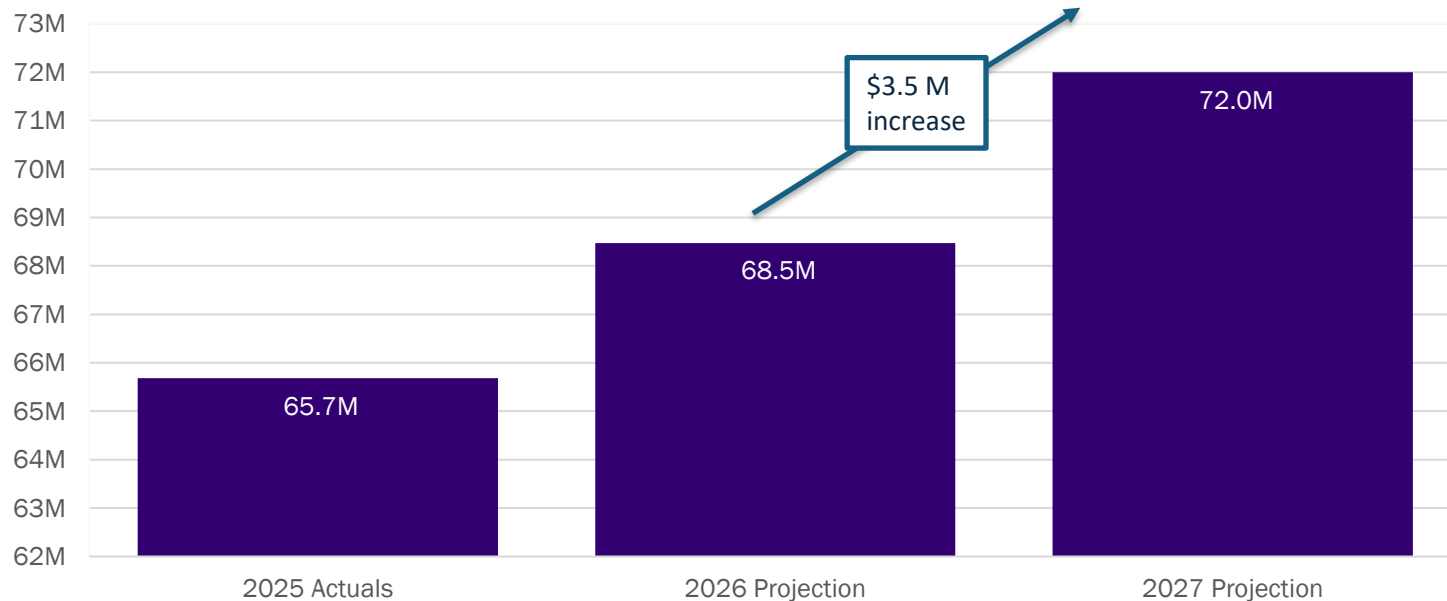


**Pediatric
care**



Background— Denver Health and Hospital Authority Tax Fund Revenue

Year Over Year Revenues



2026 growth rate because first year DHHA receives audit revenue.

2027 larger growth rate than other funds because DHHA fund is continuing to ramp up with new audit revenue.

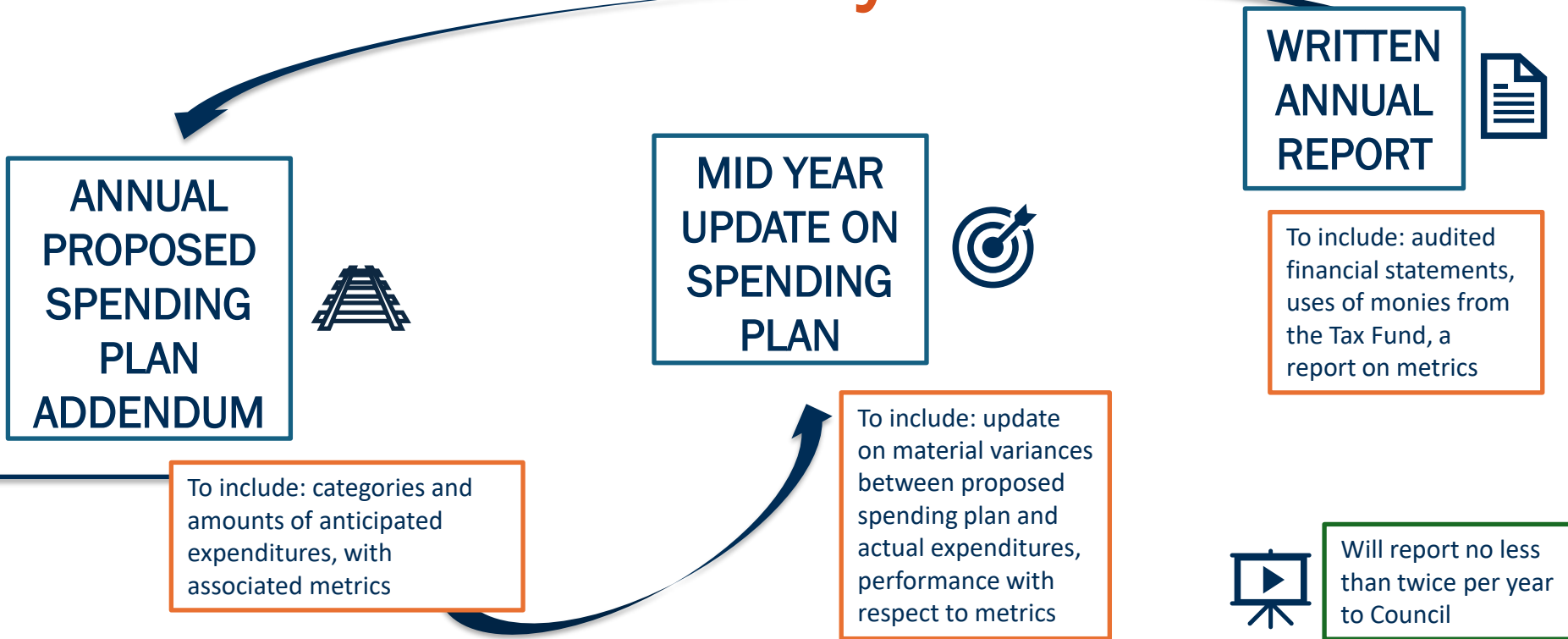
Contract - Overview

- **SOW:** Recites many of the ordinance requirements and prescriptions
- **Duration:** Jan. 1, 2025– Dec. 31, 2029 (added 3 years, for a full 5)
- **Contract Value:**
 - City collects sales tax on spending agency's behalf
 - DDPHE distributes funds to spending agency monthly
 - No contract maximum, amount varies based on annual sales tax collections
 - DHHA participates in annual budget process through DDPHE; creates annual spending plan approved by the DHHA Board and shared with DDPHE, Mayor's Office, & City Council
 - Less 1% City Admin

Contract – Disbursement & Reconciliation

- DHHA submits monthly distribution request (invoice) to DDPHE
- Monthly distributions to DHHA, 1/12th of estimated annual total revenue, immediate payment terms
- Unspent funds can be carried forward into a future year to be expended for the same purposes
- Annual reconciliation process after city's financials are completed, including any unspent 1% administrative fee

Contract—Accountability



Contract—Accountability

Spending Plan Addendum 2026

Service Area	2Q Investment	Budgeted Visits
Emergency Medical Services (EMS)	\$34.8M	119,857
Primary Care	\$15.5M	771,041
Mental Health	\$13.4M	111,869
Pediatrics	\$2.1M	10,179
Alcohol & Substance Use	\$1.9M	65,290

Example Service Category

Spending Plan by Service Category

Emergency Medical Services (EMS)

- 2026 2Q Budgeted Spend: \$34.8 million
- Budgeted Visits: 119,857

Key Areas of Focus:

- Emergency department visits and trauma care capacity
- 911 medical response system and paramedic workforce
- Expanded staffing and care teams
- Equipment, technology maintenance, and ambulance readiness

Contract– City Administrative Funds

- DDPHE Executive Director will designate a liaison (DHHA Sales Tax Administrator).
- Up to 1% of DHHA sales tax revenue each year is available for the City to administer the fund, oversee the agreement, ensure accountability, and coordinate with DHHA.
- The City develops a proposed annual admin spending plan alongside DHHA's spending plan.
- The City reports on the amount expended to administer and oversee the fund on the same schedule that Denver Health reports its annual expenditures.
- Any unspent city administrative funds at the end of each year will be distributed to DHHA.

Contract– Proposed Changes to Section 4: PLANNING AND REPORTING BY DENVER HEALTH ON USE OF MONIES FROM THE DENVER HEALTH TAX FUND

Clarifying metric reporting 4(B)ii.

“The addendum will include proposed metrics such as: **patient volumes, patient demographics, and quality metrics.** In addition to demographics, each service area **may include two to four metrics** reflecting information from **one or more** of the following three domains: **volume, quality, and/or clinical impact.** If applicable, DHHA will include relevant **baseline data** including **prior year equivalents, reporting cadence, data sources, and alternative methodologies.**”

Aligning due dates 4(C)

Written annual report now due May 1st rather than March 31st to accommodate DHHA fiscal year

Clarifying buckets reporting 4(D)ii.

Reporting may be combined for Mental Health Care and Drug and Alcohol Use Recovery and titled “Behavioral Health”

Contract– Proposed Addition 4(B)iii

“The outline for the report may be as follows:

CEO Summary

Background/Methodology

Overall Payer Mix

Quantify Uncompensated Care

Outline reporting methodology

Allocation Overview

Financial accounting by clinical category

Impact by Clinical Category

May include items outlined in 4(B)(ii) [metrics]”

Questions?

Elise Matatall

Denver Health Sales Tax Administrator
Department of Public Health & Environment

Donna Lynne

CEO
Denver Health & Hospital Authority

Appendix

Approves a contract amendment with **Denver Health and Hospital Authority** by adding three years, for a new end date of **12-31-2029** for the purpose of implementing the Denver Health Sales Tax, a .34% sales tax passed in November 2024 for the purpose of funding and supporting Denver Health in its provision of: Emergency and Trauma Care; Primary Medical Care; Mental Health Care; Drug and Alcohol Use Recovery; and Pediatric Care services, located at 777 Bannock Street, in Council District 3 (ENVHL-202578269-00/ ENVHL-202685577-01).

Contract – Open Records

- All materials provided or created by the City under this Agreement may be subject to the Colorado Open Records Act (CORA). If a request is made, the City will notify Denver Health, Denver Health will review and object as appropriate to the release of any patient or confidential information.
- If a lawsuit is filed to force disclosure, the City will submit the materials to the court for review. Denver Health must either intervene to protect its confidential information or waive any objections to disclosure