




City of Arlington Council Agenda Bill

Item:
WS #4
Attachment
D

COUNCIL MEETING DATE:	
January 8, 2018	
SUBJECT:	
Amendment to the Professional Services Agreement with Systems Design	
ATTACHMENTS:	
HCA Application for participation in GEMT Program and Amendment to Systems Design Agreement	
DEPARTMENT OF ORIGIN	
Fire Department	
EXPENDITURES REQUESTED:	TBD
BUDGET CATEGORY:	EMS
BUDGETED AMOUNT:	
LEGAL REVIEW:	
DESCRIPTION:	
<p>Staff is proposing to enter into the Ground Emergency Medical Transport (GEMT) program. The (GEMT) program allows Fire Departments to recover a portion of the costs of treating and transporting Medicaid patients. Currently, when a fire department responds and treats a Medicaid patient, the department only recovers a small portion of the actual costs of the response. GEMT is a federally funded, entitled program that has no impact to the local taxpayer or to the state. GEMT in Washington, allows fire departments to use the same programs that public hospitals and public health care clinics have been doing for decades. This program will help offset lost revenue from Medicaid patients, currently supplemented by the local taxpayer, and allow fire departments to enhance their service to the citizens.</p> <p>To enter into the program, two things must take place 1) completion of an application to the Health Care Authority (HCA) and 2) an amendment to the existing professional services agreement with Systems Design.</p> <p>The Health Care Authority is the agency overseeing the program in Washington State. Enrollment into the GEMT program must be done through an HCA Provider Participation Agreement (i.e. application).</p> <p>Systems Design is the city's current emergency medical services (EMS) billing provider. The amendment will allow Systems Design the ability to prepare and provide cost reporting information, on the city's behalf, in order to recover costs associated with transporting Medicaid patients. By allowing Systems Design to perform this service, it will ensure overall compliance with the program and meet auditing needs.</p> <p>Estimated Cost:</p> <ul style="list-style-type: none"> • 2016 Cost Report: 15% Cost Share • 2017 Cost Report: 15% Cost Share • 2018 Cost Report: Anticipated \$30,000 <p>The anticipated revenue from participation in the GEMT will cover the initial cost of participation in the program. Program costs are deducted from anticipated revenue so there is no upfront cost to the city for participating in the program. There is no risk for participation in the program. If the cost report determines there is no net revenue, the report will not be submitted and there is no penalty to the city. The city determines when and if a cost report will be submitted. The cost reports, if submitted, are done on an annual basis.</p>	



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HISTORY:
During the 2015 legislative session, the Washington State Legislature passed HB2007 authorizing the GEMT program. On January 1, 2013, the City entered into a professional services agreement with Systems Design for emergency medical services (EMS) billing.
ALTERNATIVES:
<ul style="list-style-type: none">• Select another vendor to prepare cost reports. AP Triton is the only other vendor to handle GEMT compliance and documentation needs. AP Triton is cost prohibitive and would require us to maintain our own auditing files in house.• Do not enter into the GEMT program.
RECOMMENDED MOTION:
Workshop; discussion only. At the January 16, 2018 council meeting the motion will read, "I move to approve the amendment to the Systems Design Agreement and completion of the application to the Health Care Authority (HCA) allowing participation in the GEMT program".

Washington Apple Health (Medicaid)
Ground Emergency Medical Transportation (GEMT) Program

Annual Provider Participation Agreement

Name of provider: _____ Provider NPI number: _____

Service period begin date: _____ Service period end date: _____

Statement of Intent

The purpose of this agreement is to allow participation in the Ground Emergency Medical Transportation Supplemental Reimbursement Program (GEMT Program) by the governmentally owned or operated provider, named above, subject to the provider's compliance with the requirements and responsibilities set forth in this agreement.

GEMT Provider Responsibilities

By entering into this agreement, the provider agrees to the following:

- A. Provider agrees to comply with each the following, as periodically amended:
 - Title XIX of the Social Security Act
 - Titles 42 and 45 of the Code of Federal Regulations (CFR)
 - Washington State Medicaid State Plan
 - State issued policy directives, including the Revised Code of Washington, the Washington Administrative Code, Washington Apple Health Billing Guides
 - Terms of the provider's Medicaid Core Provider Agreement
 - Federal Office of Management and Budget (OMB) Circular A-87

- B. Provider agrees to ensure all applicable state and federal requirements, as identified in paragraph A, above, are met in rendering services under this agreement. The provider understands and agrees that their failure to meet all applicable state and federal requirements in rendering services subject to supplemental reimbursement under this agreement shall be sufficient cause for the state to deny or recoup payments to the provider as well as terminate this agreement.

- C. Provider agrees to comply with the following expense allowability and fiscal documentation requirements:
 - 1) Submit annually the participation agreement and cost report form.
 - 2) Maintain for review and audit and supply to the state, upon request, auditable documentation of all amounts claimed, and any other records required by the federal Centers for Medicare and Medicaid Services (CMS), pursuant to this agreement to permit a determination of expense allowability (RCW 41.05.730).
 - 3) If the allowability or appropriateness of an expense cannot be determined by the state because fiscal records or other documentation is not present or is inadequate, according to generally accepted accounting principles or practices, all questionable costs may be disallowed and payment may be based solely on the current Medicaid fee schedule. Upon receipt of adequate documentation supporting a disallowed or questionable expense, supplemental payment reimbursement may resume.

- D. By November 30 of each year: Provider agrees to submit, electronically via email, the Excel version of the cost report accompanied by a signed PDF copy of the annual GEMT participation agreement and cost report for the prior fiscal year ending June 30, to: **HCAGEMTAdmin@hca.wa.gov**.
- E. Provider agrees to accept as payment in full the reimbursement received for services subject to supplemental reimbursement pursuant to this agreement. Under no circumstances will the total amount of reimbursement received exceed one hundred percent of actual care costs. As such, if the provider does not have any uncompensated care costs, the provider will not receive a supplemental payment under this program.
- F. Provider agrees that when it is determined that they received federal funds in excess of their determined cost per transport, the state shall recover the excess in accordance with state and federal regulations within 30 calendar days. The Washington State Health Care Authority (HCA) is not responsible for the compliance costs of the GEMT providers.
- G. Provider agrees to reimburse HCA an administrative fee for all costs associated with the implementation and administration of the GEMT Program. The fee is based on the number of transports provided during the service period (July 1 through June 30) and cannot be included as a reported expense on the provider's annual cost report.

The undersigned hereby warrants that:

- They have the requisite authority to enter into this agreement on behalf of _____ (provider) and thereby bind the above named provider to the terms and conditions of the same, and
- The information provided in support of this agreement is true and correct and that the undersigned understands that HCA is relying on the truthfulness and accuracy of the information presented.

 Provider Authorized Representative's Signature

 Print Name

 Title

 Street Address

 City, State and Zip

 Date

**AMENDMENT NO. [] TO THE PROFESSIONAL SERVICES AGREEMENT
BETWEEN SYSTEMS DESIGN WEST AND _____**

Commented [A1]: Insert actual amendment number

This Amendment (the "Amendment") to that certain EMS Billing and Related Professional Services entered by _____ ("_____") and Systems Design, as of _____ (the "Agreement"), is made effective as of _____

Commented [A2]: Legal name of other party

Commented [A3]: Abbreviated name of other party. Examples may be SUBCONTRACTOR, CONTRACTOR, etc. Should mirror original agreement.

Commented [A4]: Date of ORIGINAL agreement

Commented [A5]: Effective date of amendment

Commented [A6]: Section of ORIGINAL agreement that explains how amendments can be made.

WHEREAS, the parties agree to amend the Agreement pursuant to Section [] to include revenue enhancement services for Ground Emergency Medical Transport (GEMT) program;

NOW, THEREFORE, in consideration of the foregoing, the premises and mutual covenants contained herein, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereby agree as follows:

1. The parties agree that Systems Design will provide revenue enhancement services for Ground Emergency Medical Transport (GEMT) program as described in Attachment A "Contracted Services" and Attachment B "Fees."
2. **Conflict in Terms.** Except as amended and/or modified by this Amendment, the Agreement is hereby ratified and confirmed and all other terms of the Agreement shall remain in full force and effect, unaltered and unchanged by this Amendment. Whether or not specifically amended by this Amendment, all of the terms and provisions of the Agreement are hereby amended to the extent necessary to give effect to the purpose and intent of this Amendment.
3. **Authorship.** The Parties agree that the terms of this Amendment result from negotiations between them. This Amendment will not be construed in favor of or against either Party by reason of authorship.
4. **Severability.** If any provision in this Amendment is found by a court of competent jurisdiction to be invalid or unenforceable, the remaining provisions in this Amendment shall continue in full force and effect.
5. **Waiver.** The failure of a party to enforce a provision of this Amendment shall not constitute a waiver with respect to that provision or any other provision of this Amendment.
6. **Counterparts.** This Amendment may be executed in one or more counterparts, each of which shall be deemed an original and all of which counterparts together shall constitute the same instrument which may be sufficiently evidenced by one counterpart.
7. **Authority.** Each Party to this Amendment, and each individual signing on behalf of each Party, hereby represents and warrants to the other that it has full power and authority to

enter into this Amendment and that its execution, delivery, and performance of this Amendment has been fully authorized and approved, and that no further approvals or consents are required to bind such Party.

8. Entire Agreement; Non-Reliance. The Agreement, as amended by this Amendment, constitutes the entire understanding and agreement of the Parties with respect to the subject matter hereof, and supersedes any and all prior agreements, understandings or representations with respect thereto. Neither Party is relying upon any agreement or representation by the other Party except as set forth in the Agreement, as amended by this Amendment.
9. Applicable Law, Jurisdiction, and Venue. This Amendment is to be construed, interpreted, and enforced under and in accordance with the same governing law as set forth in the Agreement, without regard to choice of law provisions. The parties consent to personal jurisdiction in that state or district's courts and that venue is appropriate.

IN WITNESS WHEREOF, [redacted] and Systems Design have executed this Amendment as of the date stated above.

Commented [A7]: Abbreviated name of the other party.

Systems Design

_____ [redacted]

Commented [A8]: The Legal Name of the other party

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

ATTACHMENT A
CONTRACTED SERVICES

Pursuant to the terms and conditions of this Agreement, Systems Design shall provide the following contracted services:

- Drafting application materials and responding to requests for additional information necessary for the provider to gain approval to participate in the Ground Emergency Medical Transport (GEMT) program
- Preparing a fiscal impact study and presenting results to city/department stakeholders to demonstrate benefits of the GEMT program to the provider
- Identifying eligible costs and developing appropriate cost allocation methodologies to report only allowable costs for providing emergency medical services to Medicaid and, as applicable, uninsured populations
- Developing customized web portal to assist with cost report calculation and auditing process
- Conducting analysis of the provider's financial and billing data in order to prepare and submit annual cost reports, the mechanism for providers to receive additional revenue under the GEMT program
- Providing comprehensive desk review support, including but not limited to conducting reviews of all cost settlement files, performing detailed analysis of billing reports generated by Medicaid agencies to ensure that all allowable charges and payments are encompassed in the calculation of the final settlement, and drafting letters and providing supporting documentation to meet Medicaid requirements and expedite settlement
- Conducting comparative analysis to identify significant trends in billing and financial data
- Provide ongoing audit support in the event of a state and/or federal audit of GEMT program cost report

Attachment B
FEES

The fees to be paid associated with the successful generation of incremental Medicaid revenues as a result of the Ground Emergency Medical Transport (GEMT) program are calculated based on total number of Annual Medicaid Trips and detailed in the table below. Fees are based on paid revenues per annual cost report submission and corresponding true-up, and includes enhanced incremental revenues received from the GEMT program (Medicaid Fee-for-Service and Medicaid Managed Care).

Annual Medicaid Trips	Fixed Fee Cost per Submission	Contingency Fee Option
1-60	\$7,500	N/A
61-180	\$20,000	15%
181+	\$30,000	15%

As notated in the above model, providers with more than 60 annual Medicaid Trips have the option of electing to pay the Fixed Fee Cost per Submission, or the 15% Contingency, per annual cost report submission and corresponding true-up, inclusive of enhanced incremental revenues received from GEMT program.

The fees based on revenues received from the GEMT program shall be paid in full directly to SYSTEMS DESIGN within thirty (30) days of receipt of funds by [REDACTED].
Invoicing will occur only after HCA “true-up” is completed in full. [REDACTED]
will remit payment to Systems Design within thirty (30) days of invoice receipt.

Commented [A9]: Abbreviated client name

Commented [A10]: Abbreviated client name