



CT-OMS. 14 \* 134. 9  
Effective Date 4-1-13  
Term Date 4-30-14  
Cost \$250,000.-  
Revenue \_\_\_\_\_  
Total \_\_\_\_\_ NTE: \_\_\_\_\_  
Action 7-1-14  
Renewal By \_\_\_\_\_  
Term 9-30-14  
Reviewed by: [Signature]

## **BOARD OF SUPERVISORS AGENDA ITEM SUMMARY**

Requested Board Meeting Date: **October 15, 2013**

### **ITEM SUMMARY, JUSTIFICATION and/or SPECIAL CONSIDERATIONS:**

This Amendment #9 to an existing IGA between Pima County and AHCCCS allows AHCCCS to pay claims for inpatient hospital services provided to eligible inmates of the Pima County Adult Detention Center. In payment of these claims, AHCCCS draws down Federal matching funds (2/3) and Pima County provides the State match portion (1/3), saving Pima County 2/3 of the cost of eligible inpatient hospitalizations. This amendment extends the term of the IGA for another year, retroactive to October 1, 2013. The IGA amendment is generated by AHCCCS, which submitted the IGA to Pima County only recently because of staff shortages, the need to recalculate the costs associated with the program and other AHCCCS priorities.

Procure Dept 09/26/13 PM04:14

CONTRACT NUMBER (If applicable): **12\*2149 (IH) 14\*0134 (OMS) / 01-65-A-136012-1004**

**STAFF RECOMMENDATION(S): APPROVAL**

CORPORATE HEADQUARTERS: Not Applicable

To: COB - 10.2.13  
Agenda - 10.15.13  
(3)

CLERK OF BOARD USE ONLY: BOS MTG. \_\_\_\_\_

ITEM NO. \_\_\_\_\_

PIMA COUNTY COST: Up to \$250,000 Annually and/or REVENUE TO PIMA COUNTY:\$ 0

FUNDING SOURCE(S): General Fund

Advertised Public Hearing:

☐

YES

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NO

Board of Supervisors District:

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5

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All

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IMPACT:

**IF APPROVED:**

The IGA will be extended for another year and rates charged by AHCCCS to Pima County will be updated, and Pima County will continue to benefit from the State draw-down of Federal funds to pay two-thirds of inpatient hospital claims for qualifying inmates of the Pima County Adult Detention Complex.

**IF DENIED:**

The IGA will be terminated, causing Pima County to pay all of the costs of inpatient hospital claims for inmates of the Pima County Adult Detention Complex.

DEPARTMENT NAME: Office of Medical Services

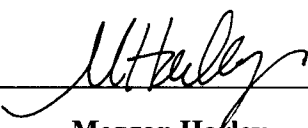


CONTACT PERSON: Garrett L Hancock, Division Manager TELEPHONE NO.:243-7833

**ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM ADMINISTRATION  
DIVISION OF BUSINESS AND FINANCE  
INTERGOVERNMENTAL AGREEMENT AMENDMENT**

1. AMENDMENT NUMBER: <b>9</b>	2. CONTRACT NUMBER: <b>YH05-0024-02 01-65-A-136012-1004</b>	3. EFFECTIVE DATE OF AMENDMENT: <b>October 1, 2013</b>	4. PROGRAM: <b>DMS</b>
5. CONTRACTOR/PROVIDER NAME AND ADDRESS:  <b>Pima County on behalf of Pima County Dept. of Institutional Health 3950 S. Country Club Rd., Suite 300 Tucson, AZ 85714</b>			<div style="border: 1px solid black; padding: 5px;"> <b>CONTRACT</b>  <b>NO CT. DMS-14 0000000000000000 134</b>  <b>AMENDMENT NO. 09</b>  <small>This number must appear on all invoices, correspondence and documents pertaining to this contract.</small> </div>
6. PURPOSE: To revise language and extend the term of the agreement for an additional twelve (12) months.			

7. The above referenced contract is hereby amended as stated below:

- A. Pursuant to Page 9, Paragraph 3.83, Contract Term, the contract term is hereby extended an additional twelve months through September 30, 2014.
- B. Change rates for SFY 2014 and references to the rates as shown in **Attachment A**.

8. EXCEPT AS PROVIDED FOR HEREIN, ALL TERMS AND CONDITIONS OF THE ORIGINAL CONTRACT NOT HERETOFORE CHANGED AND/OR AMENDED REMAIN UNCHANGED AND IN FULL EFFECT.	
IN WITNESS WHEREOF THE PARTIES HERETO SIGN THEIR NAMES IN AGREEMENT.	
<b>9. PIMA COUNTY on behalf of THE PIMA COUNTY DEPT. OF INSTITUTIONAL HEALTH</b>  SIGNATURE OF AUTHORIZED INDIVIDUAL:  TYPED NAME: <b>Ramón O. Valadez</b>  TITLE: <b>CHAIRMAN, COUNTY BOARD OF SUPERVISORS</b>  DATE:	<b>10. ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM</b>  SIGNATURE:  TYPED NAME: <b>Meggan Hafley</b>  TITLE: <b>PROCUREMENT AND CONTRACTS MANAGER</b>  DATE: <b>SEPTEMBER 23, 2013</b>
11. IN ACCORDANCE WITH STATE STATUTES, COUNTY RULES, AND BYLAWS, THIS AGREEMENT HAS BEEN REVIEWED BY THE UNDERSIGNED WHO HAS DETERMINED THAT THIS AGREEMENT IS IN APPROPRIATE FORM AND IS WITHIN THE POWER AND AUTHORITY GRANTED TO THE COUNTY.  DATED THIS <u>30<sup>th</sup></u> DAY OF <u>September</u> , 2013  BY  DEPUTY PIMA COUNTY ATTORNEY	12. IN ACCORDANCE WITH § A.R.S. 11-952, THIS AMENDMENT IS IN PROPER FORM AND IS WITHIN THE POWER AND AUTHORITY GRANTED TO THE ADMINISTRATION UNDER § A.R.S 36-2903 ET SEQ. AND §36-2932 ET SEQ.  DATED THIS <u>24<sup>th</sup></u> DAY OF <u>Sept.</u> , 2013   LEGAL COUNSEL FOR THE ADMINISTRATION

YH05-0024-02  
AMENDMENT #9  
ATTACHMENT A  
01-65-A-136012-1004

**AHCCCS**  
**Administrative Annual Cost Estimates for**  
**Pima County Medicaid Eligible Inmates FFS Project IGA SFY14**

Claims	Electronic 56%	Paper 44%	Total Fund 100%	State Share 50%	Federal Share 50%
Estimated total number of claims:					
Physician & Emergency Transport/Hospital	<sup>1</sup> 70	55	125		
DFSM Cost per Claim	\$ 0.37	\$ 0.60			
OIG Cost per Claim	\$ 0.10	\$ 0.10			
ISD Cost per Claim	\$ 2.17	\$ 2.18			
<b>Concurrent Review</b>	<b>Average Cost</b>				
Estimated cost per case	<sup>2</sup> \$ 96.25				
Estimated number of HSAG reviews	<sup>3</sup> 2				
<b>Claims Processing costs:</b>					
DFSM	\$25.96	\$32.79	\$58.75	\$29.38	\$29.38
OIG	\$7.02	\$5.51	\$12.53	\$6.26	\$6.26
ISD	\$152.25	\$119.89	\$272.14	\$136.07	\$136.07
Total Claims Processing Costs	\$185.23	\$158.19	\$343.42	\$171.71	\$171.71
Direct DFSM Labor for Pima County Claims Processing			-		
Direct ISD Labor for Pima County Claims Processing			\$7,000.00	\$3,500.00	\$3,500.00
<b>Concurrent Review Estimated costs:</b>					
Cost for 2 reviews			\$192.50	\$96.25	\$96.25
<b>Administrative Costs (see detail)</b>					
DBF Paper Processing Personnel costs			\$8,022.00	\$4,011.00	\$4,011.00
Postage @ \$.09/claim	<sup>4</sup>		\$11.25	\$5.63	\$5.63
Data Center Charges @ \$.32/claim	<sup>5</sup>		\$40.00	\$20.00	\$20.00
Indirect at 10%			\$802.20	\$401.10	\$401.10
Total DBF Administrative Costs			\$8,875.45	\$4,437.73	\$4,437.73
Total Claims Processing Costs			\$16,411.37	\$8,205.69	\$8,205.69
<b>DMS Eligibility Costs</b>					
Application Processing Costs - DMS	<sup>6</sup>		\$1,764.00	\$882.00	\$882.00
<b>Estimated Total Annual Costs for Program</b>			\$18,175.37	\$9,087.69	\$9,087.69
<b>Cost per Claim</b>	<sup>7</sup>		\$143.86	\$71.93	\$71.93

<sup>1</sup> Actual number of claims may be higher. Number includes original, recoupment and adjustment claims.

<sup>2</sup> Average rate per contract. Actual costs will be a strict pass-through based on price negotiated on new contract.

<sup>3</sup> Actual number may be higher or lower depending on Pima County Medicaid Inmate requirements.

<sup>4</sup> Postage based on average cost per claim times number of claims.

<sup>5</sup> Data Center charges calculated based on average SFY14 costs

<sup>6</sup> DMS Eligibility charges calculated at \$98/determination. Estimated 18 annual applications/determinations.

<sup>7</sup> Cost per claim does not include a cost for concurrent reviews.