



BOARD OF SUPERVISORS AGENDA ITEM REPORT
CONTRACTS / AWARDS / GRANTS

☐ Award ☒ Contract ☐ Grant

Requested Board Meeting Date: 11/10/2020

* = Mandatory, information must be provided

or Procurement Director Award ☐

***Contractor/Vendor Name/Grantor (DBA):**

Arizona Health Care Cost Containment System (AHCCCS)

***Project Title/Description:**

Intergovernmental Agreement for AHCCCS Inmate Hospitalization. This IGA and amendments can be found in ONBASE by searching Contracts 20*006 in Doc_ID_AMS

***Purpose:**

The purpose of Amendment #3 is to update the rate from the FY2019 AHCCCS Administrative Annual Cost Estimates for Pima County Medicaid Eligible Inmates FFS project with the rates from the FY2021 (Attachment A). This includes and update to the AHCCCS Quarterly Estimate of State Match Advance Payments for Program Services Pima County Medicaid Eligible FFS Project (Attachment B). The Amendment also extends this agreement an additional 5 years through September 30, 2025 and adds department compliance and consequences of disallowance by CMS regulations. This IGA allows AHCCCS to pay claims for inpatient hospital services provided to eligible inmates of the Pima County Adult Detention Center (PCADC). In payments of these claims, AHCCCS draws down Federal matching funds (approx. 2/3) and Pima County Reimburses the State for their match portion (1/3), saving Pima County 2/3 of the cost of eligible inpatient hospitalizations. Pima County also pays AHCCCS administrative charges for the claims that they pay for Pima County inmates.

***Procurement Method:**

This IGA is non-Procurement contract and not subject to Procurement rules

***Program Goals/Predicted Outcomes:**

The County and AHCCCS will agree upon an eligibility application and determination process that complies with both Federal and State regulations to adjudicate and pay claims for inpatient hospital services provided to inmates. The County will provide funds on a quarterly basis, or as needed, to AHCCCS to use as the State match for qualifying claims.

***Public Benefit:**

By taking advantage of federal matching dollars for inpatient hospital services, the amount of general fund dollars needed to pay for inmate medical expenses is reduced.

***Metrics Available to Measure Performance:**

Quarterly program expenditure reports and weekly reports (when claims have been paid) on claims paid by AHCCCS.

***Retroactive:**

Yes. This amendment was not received from AHCCCS until 10/8/2020 though it has an effective date of 10/01/2020.

To: COB 10-23-2020 (1)

Vers.: 5

Pgs.: 4

Revised 5/2020

Contract / Award Information

Document Type: _____ Department Code: _____ Contract Number (i.e., 15-123): _____
Commencement Date: _____ Termination Date: _____ Prior Contract Number (Synergen/CMS): _____
☐ Expense Amount: \$* _____ ☐ Revenue Amount: \$ _____

***Funding Source(s) required:**

Funding from General Fund? ☐ Yes ☐ No If Yes \$ _____ % _____
Contract is fully or partially funded with Federal Funds? ☐ Yes ☐ No
If Yes, is the Contract to a vendor or subrecipient? _____
Were insurance or indemnity clauses modified? ☐ Yes ☐ No
If Yes, attach Risk's approval.
Vendor is using a Social Security Number? ☐ Yes ☐ No
If Yes, attach the required form per Administrative Procedure 22-10.

Amendment / Revised Award Information

Document Type: CT Department Code: BH Contract Number (i.e., 15-123): 20*006
Amendment No.: 3 AMS Version No.: 5
Commencement Date: 10/01/2020 New Termination Date: 09/30/2025
Prior Contract No. (Synergen/CMS): _____
☐ Expense or ☐ Revenue ☐ Increase ☐ Decrease Amount This Amendment: \$ N/A
Is there revenue included? ☐ Yes ☐ No If Yes \$ N/A
***Funding Source(s) required:** N/A no additional funds with this amendment
Funding from General Fund? ☐ Yes ☐ No If Yes \$ N/A % N/A

Grant/Amendment Information (for grants acceptance and awards) ☐ Award ☐ Amendment

Document Type: _____ Department Code: _____ Grant Number (i.e., 15-123): _____
Commencement Date: _____ Termination Date: _____ Amendment Number: _____
☐ Match Amount: \$ _____ ☐ Revenue Amount: \$ _____

***All Funding Source(s) required:**

***Match funding from General Fund?** ☐ Yes ☐ No If Yes \$ _____ % _____
***Match funding from other sources?** ☐ Yes ☐ No If Yes \$ _____ % _____
***Funding Source:** _____

***If Federal funds are received, is funding coming directly from the Federal government or passed through other organization(s)?** _____

Contact: Monica Padron Administrative Specialist

Department: Behavioral Health

Telephone: 520 724-7502

Department Director Signature/Date: [Signature]

Deputy County Administrator Signature/Date: [Signature]

County Administrator Signature/Date: [Signature]

(Required for Board Agenda/Addendum Items)



INTERGOVERNMENTAL AGREEMENT (IGA) AMENDMENT

1. AMENDMENT #: 3	2. CONTRACT #: YH16-0018-01 CT-BH-20*006	3. EFFECTIVE DATE OF AMENDMENT: OCTOBER 1, 2020	4. PROGRAM: DFSM / DMS
5. CONTRACTOR/PROVIDER NAME AND ADDRESS: <p style="text-align: center;">Pima County 130 W. Congress S Tucson, AZ 85701</p>			
6. PURPOSE: To revise rates, extend the agreement for an additional 5 years and to revise the terms of the agreement.			

1. THE ABOVE REFERENCED CONTRACT IS HEREBY AMENDED AS FOLLOWS:

A. Change rates from Attachment A (SFY19) to the rates as shown in Attachment A (SFY21).

B. Change Quarterly Estimate of State Match Advance Payments from Attachment B (SFY19) to the Estimates listed in Attachment B (SFY 21).

2. Pursuant to Section 3, *Term* for the above stated agreement, the term of this agreement is hereby extended through September 30, 2025.

3. Pursuant to the Preamble of Agreement, this agreement is for the processing of Medicaid claims for inpatient services, defined as an admission to a medical institution, as defined in 42 C.F.R. § 435.1010, equal to or greater than 24 hours in a non-locked ward.

A. Add Section 7. Department Compliance with CMS Regulations.

7.1 The Department shall not impose requirements upon a medical institution that are inconsistent with federal regulation and guidance issued by the Centers for Medicare and Medicaid Services, including State Health Official Letter 16-007 and Survey & Certification Letter 16-21-ALL REV.

B. Add Section 8. Consequences of Disallowance by CMS.

8.1 In the event the federal government disallows a claim by AHCCCS for federal financial participation based on the Department's failure to comply with this Agreement, the Department shall, within 30 days of written demand from AHCCCS, make a payment to AHCCCS equal to the amount due to CMS as the result of the disallowance, including any interest incurred as a result of an appeal of the disallowance. AHCCCS will consult with the Department regarding an administrative appeal of a disallowance; however, AHCCCS has the sole discretion on the decision whether to pursue an administrative appeal.

Electronic Submission: An electronic or portable document file (PDF) copy of this amendment shall serve as the original

IN WITNESS THEREOF, the parties have executed this Agreement:

COUNTY: Pima County

Arizona Health Care Cost Containment
System (AHCCCS):

Signature: _____

Signature: Megan _____

Printed Name: Ramon Valadez

Printed Name: Meggan LaPorte, CPPO, MSW

Title: Chairman, Pima County Board of
Supervisors

Title: Chief Procurement Officer

Date: _____

Date: Oct 8, 2020 _____

ATTEST:

Signature: _____

Printed Name: Julie Castaneda, Clerk of the Board

Date _____

In accordance with A.R.S. § 11-952, this Agreement
has been reviewed by the undersigned who has
determined that this Agreement is in the
appropriate form and is within the power and
authority granted to COUNTY.

[Signature]
COUNTY Attorney
GUNTHER PINKNEY

In accordance with A.R.S. § 11-952, this
Agreement is in the proper form and is within the
power and authority granted to AHCCCS under
A.R.S. §§ 36-2903 et seq. and 36-2932 et seq.

Matthew J. Devlin
Legal Counsel for AHCCCS

AHCCCS
Administrative Annual Cost Estimates for
Pima County Medicaid Eligible Inmates FFS Project IGA SFY21

YH16-0018-01
CT-OMS-16-176
CT-BH-20*006
Attachment A
Amendment 3

Claims	Electronic 83%	Paper 17%	Total Fund 100%	State Share 50%	Federal Share 50%
Estimated total number of claims					
Physician & Emergency Transport/Hospital	¹ 500	100	600		
DFSM Cost per Claim	² \$ 0.65	\$ 0.75			
OIG Provider Enrollment Cost per Claim	² \$ 0.14	\$ 0.14			
ISD Cost per Claim	² \$ 1.59	\$ 1.59			
Concurrent Review					
	Average Cost				
Estimated cost per case	³ \$ 127.95				
Estimated number of HSAG reviews	⁴ 4				
Claims Processing costs:					
DFSM	\$324.80	\$75.08	\$399.88	\$199.94	\$199.94
OIG Provider Enrollment	\$72.14	\$14.42	\$86.56	\$43.28	\$43.28
ISD	\$794.62	\$158.92	\$953.54	\$476.77	\$476.77
State Accounting System Charges @ \$0.1723/claim	\$86.17	\$17.23	\$103.40	\$51.70	\$51.70
Total Claims Processing Costs	\$1,277.73	\$265.65	\$1,543.38	\$771.68	\$771.68
Direct DFSM Labor for Pima Co Medicaid Claims Processing	⁵		\$0.00	\$0.00	\$0.00
Direct ISD Labor for Pima Co Medicaid Claims Processing	⁶		\$7,000.00	\$3,500.00	\$3,500.00
Concurrent Review Estimated costs:					
Cost for 4 reviews			\$511.80	\$255.90	\$255.90
Administrative Costs (see detail)					
DBF Paper Processing Personnel costs	⁷		\$ 7,398.48	\$3,699.24	\$3,699.24
Postage @ \$.0545/claim	⁸		\$32.74	\$16.37	\$16.37
Data Center Charges @ \$.7366/claim	⁹		\$441.98	\$220.99	\$220.99
OOD @ \$.2960/claim			\$177.62	\$88.81	\$88.81
OALS @ \$.0821/claim			\$49.26	\$24.63	\$24.63
HRD @ \$.0251/claim			\$15.04	\$7.52	\$7.52
TIBCO @ \$.3307/claim			\$198.42	\$99.21	\$99.21
Indirect at 10%			\$831.36	\$415.68	\$415.68
Total Administrative Costs			\$ 9,144.90	\$4,572.45	\$4,572.45
DMS Eligibility Costs					
Application Processing Costs - DMS	¹⁰		\$1,575.00	\$787.50	\$787.50
Estimated Total Annual Costs for Program			\$19,775.08	\$9,887.54	\$9,887.54
Cost per Claim	¹¹		\$32.12	\$16.06	\$16.06

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

² Cost based on actual SFY 19 expenditures and actual number of claims processed

³ Average rate per contract. Actual costs will be a strict pass-through based on price negotiated on contract.

⁴ Actual number may be higher or lower depending on Pima Co Medicaid Inmate program requirements

⁵ Based on estimates of DFSM staff time required to process the claims.

⁶ Estimate based on 40 hours at a rate of \$175 per hour. Will only be billed for actual hours incurred.

⁷ Based on estimates of DBF staff time required to monitor funding activity and process payments

⁸ Postage based on average cost per claim times number of claims

⁹ Data Center charges calculated based on average SFY19 costs

¹⁰ DMS Eligibility charges calculated at \$105/determination. Estimated 15 annual applications/determinations

¹¹ Cost per claim does not include a cost for concurrent review s

AHCCCS
Quarterly Estimate of State Match Advance Payments for Program Services
Pima County Medicaid Eligible FFS Project IGA SFY21

YH16-0018-01
CT-OMS-16-176
CT-BH-20*006
Amendment 3

ATTACHMENT B

Estimate of Annual Dollar Value of Claims Paid	\$ 560,000.00
Average Federal Financial Participation Rate	81.56%
Estimate of State Match Payments for Program Services for Current Year	\$ 103,285.00
Quarterly Estimate of State Match Advance Payments for Program Services to AHCCCS	<u>\$ 25,821.00</u>