

ORDINANCE No. 2022-23

AN ORDINANCE OF THE CITY OF LEON VALLEY, TX, CITY COUNCIL AMENDING THE AGREEMENT BETWEEN EMERGICON AND THE CITY OF LEON VALLEY TO INCLUDE THE CREATION AND EXECUTION OF EMS BILLING CHARITY CARE POLICY; PROVIDING FOR REPEALER, SEVERABILITY, AND SAVING CLAUSES; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Leon Valley is required to adopt a Charity Care policy per section 355.8208 Texas Administrative Code; and

WHEREAS, the adoption of the Charity Care Policy will allow the city to qualify for Ambulance Service Supplemental Payment Program; and

WHEREAS, this policy aims to provide direction for our ambulance billing services related to Uncompensated Charity Care that can be offered to customers who may qualify for the program; and

WHEREAS, the adoption of the Charity Care Policy requires an amendment to the agreement with Emergicon, the city's EMS billing provider; and

WHEREAS, Emergicon has agreed to tiered pricing in the collection of funds through the Ambulance Service Supplemental Payment Program.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LEON VALLEY, TEXAS, THAT:

SECTION 1. The Charity Care Policy will provide direction for our ambulance billing services related to uncompensated Charity Care that can be offered to customers who may qualify for the program.

SECTION 2. Emergicon will charge the city for Medicare and uninsured charges for the fiscal that is recouped by the Ambulance Service Supplemental Payment Program as follows: 6% on greater than 2,000,000; 9% on 1,000,000 – 2,000,000; 12% on \$500,000 to \$1,000,000; and 15% on \$0 to \$500,000.

SECTION 3. It is hereby declared to be the intention of the City Council that the sections, paragraphs, sentences, clauses, and phrases of this Ordinance are severable, and if any phrase, clause, sentence, or section of this Ordinance shall be declared unconstitutional or invalid by any court of competent jurisdiction, such unconstitutionality or invalidity shall not affect any other remaining phrase, clause, sentence, paragraph, or section of this Ordinance.

SECTION 4. The repeal of any Ordinance or part of Ordinances effectuated by the enactment of this Ordinance shall not be construed as abandoning any action now pending under or by virtue of such Ordinance or as discontinuing, abating, modifying, or

altering any penalty accruing or to accrue, or as affecting any rights of the municipality under any section or provisions at the time of passage of this Ordinance.


SECTION 5. This Ordinance shall become effective immediately upon its passage and publication as required by law.

PASSED, ADOPTED AND APPROVED by the City Council of the City of Leon Valley this the 7th day of June 2022.

APPROVED



CHRIS RILEY
MAYOR

Attest :


SAUNDRA PASSAILAIGUE, TRMC
City Secretary



Approved as to Form:


NICOLE WARREN
City Attorney

**ADDENDUM
TO THE PROFESSIONAL SERVICES AGREEMENT
BETWEEN EMERGICON, LLC AND LEON VALLEY EMS**

This addendum is entered into by and between EMERGICON, LLC and Public Consulting Group, Inc. and Leon Valley EMS as of {DATE}.

WHEREAS, Emergicon and Leon Valley EMS previously executed and entered into a Professional Services Agreement for ambulance billing services, and

WHEREAS, the parties agree to amend the Agreement to include services for Medicaid and charity care reimbursements.

THEREFORE, for good and valuable consideration, the receipt and adequacy of which is acknowledged, the parties hereby agree as follows:


COMPANY will provide CONTRACTED SERVICES in Attachment A.

COMPENSATION & TERM for CONTRACTED SERVICES are listed in Attachment B.


All other terms, conditions and provisions of the Professional Services Agreement remain in full force and in effect and are not modified by this amendment.

IN WITNESS WHEREOF, CLIENT and COMPANY have executed this Amendment as of the date stated above.

CLIENT

By: 
Name: Crystal Caldera
Title: City Manager
Date: June 08, 2022

COMPANY

By: 
Name: Christopher Turner
Title: CEO
Date: _____



ATTACHMENT A:
CONTRACTED SERVICES

Cost Report Ambulance Supplemental Payment Program Services

Public Consulting Group, Inc. will work with Leon Valley EMS to analyze and report costs for Medicaid, Uninsured, and Charity Care, that will help Leon Valley EMS realize revenue related to an Ambulance Services Supplemental Payment Program as administered by the State of Texas Health and Human Services Commission (HHSC).

Public Consulting Group, Inc. services will include:

- Conducting a thorough review of operational and administrative costs to determine 2 CFR Part 200 allowable costs to report on a cost report approved by HHSC.
- Conducting comprehensive analysis of the billing reports, ensuring that key data elements such as dates of service, procedure codes, charges and payments related to Medicaid, Uninsured, and Charity Care are screened and accurately accounted for in the cost report.
- Developing and applying appropriate cost allocation methodologies using the utilization data produced by Leon Valley's Computer Aided-Dispatch (CAD) system.
- Submitting annual cost reports approved by HHSC, on behalf of Leon Valley EMS to HHSC that will allow Leon Valley EMS to realize incremental revenue under the Ambulance Supplemental Payment Program.
- Refining the cost reports and/or other items of cost based on the review from HHSC and/or CMS.
- Providing Medicaid subject matter expertise and representation during the HHSC review and approval of the submitted cost reports.
- Drafting responses, providing supporting documentation, and conducting comprehensive billing reconciliations as required during HHSC desk review process.
- Working with Leon Valley EMS to present updates and status reports to Leon Valley's administrative body or other interested parties within the community, as necessary, to help educate and inform them on the progress of this initiative.
- Acting as a liaison between HHSC and Leon Valley EMS to address any questions and keep Leon Valley EMS informed on changes in state and federal regulations.

Medicaid Average Commercial Rate Supplemental Payment Program Services

EMERGICON, LLC and Public Consulting Group, Inc. will work with Leon Valley EMS to analyze and calculate average commercial rate data that will help Leon Valley EMS receive funds related to the Enhanced Reimbursements for Qualifying Publicly Owned Ground Emergency Ambulance Service Providers, as administered by HHSC. Upon approval, this program will allow for Average Commercial Rate reimbursement for Medicaid fee-for service and Medicaid managed care transports.

Public Consulting Group, Inc. will perform the following services to ensure that Leon Valley EMS will maximize reimbursement while mitigating audit risk.

- Working on behalf of Leon Valley EMS to receive approval of the program by HHSC and the Centers for Medicare and Medicaid Services (CMS), including:
 - Drafting Medicaid state plan and Medicaid preprint forms to facilitate HHSC and CMS approval.
 - Reviewing Medicaid state plan amendment materials and changes to the Texas Administrative Code to ensure program requirements are developed in the best interests of CLIENT.
 - Drafting responses to requests for additional information from HHSC and CMS.
 - Providing representation in meetings with HHSC leadership on behalf of CLIENT to obtain program approval.
- Completing the application to enroll Leon Valley EMS in the program.
- Preparing fiscal impact analysis and presenting results to Leon Valley EMS to demonstrate the benefits of the program.
- Providing support and education to Leon Valley's leadership on intergovernmental transfer (IGT) funding requirements.
- Preparing draft contract documents to facilitate average commercial rate reimbursement with Medicaid managed care organizations.
- Assisting with contracting efforts with Medicaid managed care organizations.
- Collecting average commercial billing data to complete payment calculations, including:
 - Verifying commercial carrier data to ensure appropriate inclusion of payment rates.
 - Determining which payment model is most advantageous to Leon Valley EMS, for example an overall payment per transport or per procedure code payment model.
 - Analyzing claims data to determine the total payment per transport.
 - Excluding certain transports that are not emergent in nature.
- Completing the rebasing of the average commercial rate survey.

- Analyzing and verifying commercial rate data to validate payment receipts, including pulling remits from commercial payments to validate payment levels.
- Conducting comparative analysis to identify significant quarter to quarter trends in billing and financial data.
- Providing comprehensive audit support, including but not limited to conducting reviews of all average commercial rate calculations, performing detailed analysis of billing reports generated by HHSC to ensure that all allowable charges and payments are encompassed in the calculation of the supplemental payment, and drafting letters and providing supporting documentation to meet Medicaid requirements and expedite supplemental payments.
- Providing ongoing technical assistance on programmatic and policy issues related to the Ambulance Supplemental Payment Program.

ATTACHMENT B:
COMPENSATION & TERM

Supplemental Payment Program Services

In consideration of the professional services to be performed by EMERGICON, LLC and Public Consulting Group, Inc. under the terms of this Agreement, Leon Valley EMS shall pay Public Consulting Group, Inc. for services performed according to a tiered fee structure. The fee paid by the Leon Valley EMS will be based on the Leon Valley's total Medicaid and uninsured charges for the corresponding federal fiscal year for the claim for supplemental reimbursement.

Tiered Pricing Structure for Supplemental Payment Program Contracted Services

| Medicaid & Uninsured Charges for Fiscal Year | Contingency Fee |
|---|------------------------|
| >\$2,000,000 | 6.0% |
| >\$1,000,000 to \$2,000,000 | 9.0% |
| >\$500,000 to \$1,000,000 | 12.0% |
| \$0 to \$500,000 | 15.0% |

The contingency fee will be charged based on the new revenues realized through the supplemental payment programs.

The term for supplemental payment program services performed by Public Consulting Group, Inc. under this amendment will include the Federal Fiscal Year 2022 that ends with the issuance of payment from the State of Texas to CLIENT, estimated to occur by September 30, 2022. This amendment shall renew automatically, on the same terms identified herein, for a period of one year from each anniversary date of this amendment, unless either party provides no less than thirty (30) days' notice of non-renewal prior to the end of the current term.

**EMS AMBULANCE BILLING
CHARITY CARE PROGRAM****S.O.P. 4.03b
August 18, 2021****PURPOSE**

This policy aims to provide direction for our ambulance billing services related to Uncompensated Charity Care that can be offered to customers who may qualify for the program.

SCOPE

This policy applies to all Fire and Emergency Services Department staff operating as employees for the City of Leon Valley and the Finance Department.

DESCRIPTION

The City of Leon Valley Fire Department is committed to providing charity care to persons who have healthcare needs and are uninsured, underinsured, ineligible for a government program, or otherwise unable to pay for medically necessary care based on their financial situation. The Leon Valley Fire Department strives to ensure that the financial capacity of people who need health care services does not prevent them from seeking or receiving care.

The City of Leon Valley will provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility for financial assistance or government assistance.

Accordingly, this written policy:

- Includes eligibility criteria for financial assistance – free or discounted (partial Charity Care)
- Describes the basis for calculating amounts charged to patients eligible for financial assistance under this policy
- Describes the method by which patients may apply for financial assistance
- Describes how the City will publicize the policy within the community served by the emergency medical service
- Limit the amounts that the ambulance service will charge for emergency or other medically necessary care provided to individuals eligible for financial assistance of amounts generally billed (received by) the City for commercially insured or Medicare Patients.

Charity is not considered to be a substitute for personal responsibility. Patients are expected to cooperate with the City of Leon Valley's procedures for obtaining charity or other forms of payment or financial assistance and contribute to the cost of their care based on their ability to pay. Individuals with the financial capacity to purchase health insurance shall be encouraged to do so as a means of assuring access to health care services for their overall personal health and the protection of their assets.

To manage its resource responsibility and to allow the City of Leon Valley to provide



the appropriate level of assistance to the greatest number of persons in need, City Council establishes the following guidelines for the provision of patient charity.

DEFINITIONS

For the purpose of this policy, the terms below are defined as follows:

Charity Care: Healthcare services that have been or will be provided but are never expected to result in cash inflows. Charity care results from a provider's policy to provide healthcare services free or at a discount to individuals who meet the established criteria.

Family: Using the Census Bureau definition, a group of two or more people who reside together and who are related by birth, marriage, or adoption. According to Internal Revenue Service rules, if the patient claims someone as a dependent on their income tax return, they may be considered a dependent for purposes of the provision of financial assistance.

Family Income: Family Income is determined using the Census Bureau definition, which uses the following income when computing federal poverty guidelines:

- Includes earnings, unemployment compensation, workers' compensation, Social Security, Supplemental Security Income, public assistance, veterans' payments, survivor benefits, pension or retirement income, interest, dividends, rents, royalties, income from estates, trusts, educational assistance, alimony, child support, assistance from outside the household, and other miscellaneous sources;
- Noncash benefits (such as food stamps and housing subsidies) do not count;
- Determined on a before-tax basis;
- Excludes capital gains or losses; and
- If a person lives with a family, include the income of all family members (non-relatives, such as housemates, do not count).

Uninsured: The patient has no level of insurance or third-party assistance to assist with meeting their payment obligations.

Underinsured: The patient has some level of insurance or third-party assistance but still has out-of-pocket expenses that exceed their financial abilities.

Gross charges: The total charges at the organization's full established rates for the provision of patient care services before deductions from revenue are applied.

Emergency medical conditions: Defined within the meaning of section 1867 of the Social Security Act (42 U.S.C. 1395dd).

Medically necessary: As defined by Medicare (services or items reasonable and necessary for the diagnosis or treatment of illness or injury).

PROCEDURES

Services Eligible Under This Policy. For purposes of this policy, "charity" or "Financial assistance" refers to healthcare services provided by the City of Leon Valley Fire Department

**EMS AMBULANCE BILLING
CHARITY CARE PROGRAM****S.O.P. 4.03b****August 18, 2021**

without charge or at a discount to qualifying patients. The following healthcare services are eligible for charity care:

- Emergency medical services are provided in an emergent setting;
- Services for a condition that, if not promptly treated, would lead to an adverse change in the health status of an individual;
- Non-elective services provided in response to life-threatening circumstances in a non-hospital; and
- Medically necessary services are evaluated on a case-by-case basis at the Leon Valley Fire Departments' discretion.

Eligibility for Charity. Eligibility for charity care will be considered for those individuals who are uninsured, underinsured, ineligible for any government health care benefit program, and unable to pay for their care, based upon a determination of financial need in accordance with this Policy. The granting of charity care shall be based on an individualized determination of financial need and shall not consider age, gender, race, social or immigrant status, sexual orientation, or religious affiliation. *[The City of Leon Valley shall determine whether or not patients are eligible to receive charity for deductibles, co-insurance, or co-payment responsibilities.]*

The Method by Which Patients May Apply for Charity Care.

- Financial need will be determined in accordance with procedures that involve an individual assessment of financial need and may;
 - Include an application process in which the patient or the patient's guarantor is required to cooperate and supply personal, financial, and other information and documentation relevant to deciding financial needs;
 - Include the use of external publicly available data sources that provide information on a patient's or a patient's guarantor's ability to pay (such as credit scoring);
 - Include reasonable efforts by the City of Leon Valley to explore appropriate alternative sources of payment and coverage from public and private payment programs and to assist patients in applying for such programs;
 - Take into account the patient's available assets and all other financial resources available to the patient; and
 - Include a review of the patient's outstanding accounts receivable for prior services rendered and payment history.
- It is preferred but not required that a request for charity and a determination of financial need occur before rendering nonemergent medically necessary services. However, the determination may be done at any point in the collection cycle. The need for financial assistance shall be re-evaluated at each subsequent time of service if the last financial evaluation was completed more than a year prior or at any time additional information relevant to the eligibility of the patient for charity becomes known.

**EMS AMBULANCE BILLING
CHARITY CARE PROGRAM****S.O.P. 4.03b****August 18, 2021**

- The Leon Valley Fire Department's human dignity and stewardship values shall be reflected in the application process, financial need determination, and granting of charity. Charity requests shall be processed promptly, and the City of Leon Valley shall notify the patient or applicant in writing within 30 days of receipt of a completed application.

Presumptive Financial Assistance Eligibility. There are instances when a patient may appear eligible for charity care discounts, but there is no financial assistance form on file due to a lack of supporting documentation. Often there is adequate information provided by the patient or through other sources, which could provide sufficient evidence to provide the patient with charity care assistance. In the event there is no evidence to support a patient's eligibility for charity care, The Leon Valley Fire Department could use outside agencies to determine estimated income amounts for the basis of determining charity care eligibility and possible discount amounts. Once determined, due to the inherent nature of the presumptive circumstances, the only discount that can be granted is a 100% write-off of the account balance. Presumptive eligibility may be determined based on individual life circumstances that may include:

- State-funded prescription programs;
- Homeless or received care from a homeless clinic;
- Participation in Women, Infants, and Children programs (WIC);
- Food stamp eligibility;
- Subsidized school lunch program eligibility;
- Eligibility for other state or local assistance programs that are unfunded (e.g., Medicaid spend-down);
- Low income/subsidized housing is provided as a valid address; and
- The patient is deceased with no known estate.

Eligibility Criteria and Amounts Charged to Patients. Services eligible under this Policy will be made available to the patient on a sliding fee scale, in accordance with financial need, as determined in reference to Federal Poverty Levels (FPL) in effect at the time of the determination. Once Emergicon has determined a patient to be eligible for financial assistance, the patient shall not receive any future bills based on undiscounted gross charges. The basis for the amounts the City of Leon Valley will charge patients qualifying for financial assistance is as follows:

- Patients whose family income is at or below 400% of the FPL are eligible to receive free care;
- Patients whose family income is above 400% but not more than 500% of the FPL are eligible to receive services at amounts no greater than the amounts generally billed to (received by the emergency medical services for) commercially insured [or Medicare] patients; and
- Patients whose family income exceeds 500% of the FPL may be eligible to receive discounted rates on a case-by-case basis based on their specific circumstances, such as catastrophic illness or medical indigence, at the discretion of the City of Leon Valley;

**EMS AMBULANCE BILLING
CHARITY CARE PROGRAM****S.O.P. 4.03b
August 18, 2021**

however, the discounted rates shall not be greater than the amounts generally billed to (received by the emergency medical service for) commercially insured [or Medicare] patients.

Communication of the Charity Program to Patients and Within the Community.

Notification about charity available from the City of Leon Valley, which shall include a contact number, shall be disseminated by the City of Leon Valley by various means, which may include, but are not limited to, the publication of notices inpatient bills and by posting notices in the Lion's Roar, in the Patient Privacy handout given during EMS calls for service, at urgent care, on the City of Leon Valley's website, the City of Leon Valley Fire Department business offices, and at other public places, the City of Leon Valley may elect. The City of Leon Valley also shall publish and widely publicize a summary of this charity care policy on facility websites, in brochures available at in-patient access sites, and at other places within the community served by the emergency medical service as the City of Leon Valley may elect. Such notices and summary information shall be provided in the primary languages spoken by the population serviced by the Leon Valley Fire Department. Referral of patients for charity may be made by any member of the City of Leon Valley staff or other medical staff, including physicians, nurses, financial counselors, social workers, case managers, chaplains, and religious sponsors. A request for charity may be made by the patient or a family member, close friend, or associate of the patient, subject to applicable privacy laws.

Relationship to Collection Policies. The City of Leon Valley staff shall develop policies and procedures for internal and external collection practices (Including actions the city may take in the event of non-payment, including collections action and reporting to credit agencies) that take into account the extent to which the patient qualifies for charity, a patient's good faith effort to apply for a governmental program or charity from the City of Leon Valley, and a patient's good faith effort to comply with their payment agreements with the City of Leon Valley. For patients who qualify for charity and cooperate in good faith to resolve their discounted hospital bills, the City of Leon Valley may offer extended payment plans, will not send unpaid bills to outside collection agencies, and cease all collection efforts. The City of Leon Valley will not impose extraordinary collections actions such as wage garnishments, liens on primary residences, or other legal actions for any patient without first making reasonable efforts to determine whether that patient is eligible for charity care under this financial assistance policy. Reasonable efforts shall include:

- Validating that the patient owes the unpaid bills and that all sources of third-party payment have been identified and billed by the hospital;
- Documentation that the City of Leon Valley has or has attempted to offer the patient the opportunity to apply for charity care according to this policy and that the patient has not complied with the hospital's application requirements;
- Documentation that the patient does not qualify for financial assistance on a presumptive basis;

ADMINISTRATION**STANDARD OPERATING POLICY****LEON VALLEY FIRE DEPARTMENT****EMS AMBULANCE BILLING
CHARITY CARE PROGRAM****S.O.P. 4.03b
August 18, 2021**

- Documentation that the patient has been offered a payment plan but has not honored the terms of that plan.

Regulatory Requirements. In implementing this Policy, the City of Leon Valley shall comply with all other federal, state, and local laws, rules, and regulations that may apply to activities conducted according to this Policy.

EXCEPTIONS TO GUIDELINES

Any exceptions to these guidelines must be approved by the Assistant Fire Chief or the Fire Chief.

APPROVED BY:

M Naughton
9 June 22

Michael Naughton, Fire Chief

Review Log:

| Date | Type | Person |
|------|------|--------|
| | | |
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