

State of Texas §
 §
County of Galveston §

Interlocal Agreement for Non- Emergency Ambulance Transfers

This Interlocal Agreement is entered into pursuant to **Texas Government Code, Chapter 791** commonly called the **Texas Interlocal Cooperation Act**. Its purpose is to provide for non-emergency ambulance transfers for patients requiring such services throughout Galveston County. It is by and between the following political subdivisions of the State of Texas:

Galveston County Health District, ("GCHD"), created by and through Chapter 121 Subchapter E of the Texas Health and Safety Code; and

Galveston County ("County"); and

City of Dickinson, Texas, ("Dickinson"), a home rule municipality;

City of La Marque, Texas ("La Marque"), a home rule municipality;

Village of Tiki Island, Texas, ("Tiki Island"), a Type-B general law municipality;

City of Bayou Vista, Texas, ("Bayou Vista"), a Type-A general law municipality;

City of Hitchcock, Texas, ("Hitchcock"), a home rule municipality; and

City of Texas City, Texas ("Texas City"), a home rule municipality, all of which are hereinafter collectively called "**Cities**".

Preamble

The **Galveston Area Ambulance Authority (Authority)** is a division of **GCHD**. It is not a separate political entity. The **Authority** provides both emergency and non-emergency ambulance transfers for patients to medical and other health care facilities within Galveston County and surrounding counties.

The **Interlocal Cooperation Act** provides that local governmental entities may jointly exercise with other local governments the power to provide governmental services for public health and welfare purposes.

It is the opinion of the parties that transporting emergency and non-emergency patients to medical and other healthcare facilities are public health and welfare purposes.

The **Cities** have adopted or will adopt Municipal Ordinances that prohibit any entity from providing emergency/ and or non-emergency ambulance service without a permit:

- **Dickinson**-Code of Ordinances 629-2008§3;
- **La Marque** – Code of Ordinances §7-52;
- **Texas City** – Code of Ordinances §46-40;
- **Hitchcock** – Code of Ordinances §_to be adopted_;
- **Tiki Island** – Code of Ordinances §_to be adopted_; and
- **Bayou Vista** – Code of Ordinances –Article 5.500.

GCHD/Authority presently provides emergency and non-emergency services for the **City of Galveston** and the **County**. It also has the ability to provide non-emergency transfer services for the **Cities** as well. The **Cities** agree that non-emergency transfer services to those members of their communities who reside within their city limits can be improved by authorizing the **GCHD/Authority** to provide these transfers and that it is in the best interest of its citizens to authorize **GCHD/Authority** to provide this service.

Agreement

Now, Therefore, it is agreed by and between the parties as follows:

Section 1. Authority

This Agreement, being essential to the public health and welfare of citizens of and visitors to the **Cities** and the **County** is authorized by the **Texas Interlocal Cooperation Act**.

Section 2. Term

This Agreement will begin effective as to each **City** and the **County** as of the date of their respective execution. It will continue in effect as to each party until participation in this Agreement has been terminated by that party.

Any **City** may terminate its participation in this Agreement by providing the other parties with written notice ninety (90) days prior to withdrawal. Any such termination by any one or more **City** will not affect the contractual relationship of the remaining parties. If **GCHD/Authority** or if **County** provides notice of intention to terminate, this Agreement will terminate in its entirety.

Section 3. Non Emergency Transfer Permits

In consideration of the services to be provided by **GCHD/Authority**, each **City** will provide, upon execution of this Agreement, to **GCHD/Authority** an exclusive permit via City Ordinance to provide non-emergency transfers within the areas of their municipal jurisdiction. **County** has no authority to issue ordinances, but agrees not to contract with any other entity to provide this service while this Agreement is in effect.

Collectively, the areas in which **GCHD/Authority** will be permitted to operate will be referred to as the **Service Area**.

Each **City** shall enforce their ordinances and their corresponding rules and regulations to ensure strict compliance with the permitting mechanism.

Section 4. Insurance

GCHD/Authority currently maintains third party liability, general liability, workers compensation and medical malpractice insurance through the **Texas Municipal League**.

Section 5. Fees for Non-Emergency Transfer Services Rendered to Individuals

GCHD/Authority shall publish a **Schedule of Non-Emergency Transfer Fees** for the various services it renders to patients within the **Service Area**. The current **Schedule of Non-Emergency Transfer Fees** is attached to this Agreement as Exhibit "A". **GCHD/Authority** shall file all proposed changes to the **Schedule of Non-Emergency Transfer Fees** with **County** for review and approval prior to changing such fees.

GCHD/Authority acknowledges that it must provide its non-emergency transfer services prior to any demand for payment. But, non-emergency transfer patients may be required by **GCHD/Authority** to make financial arrangements, prior to transport.

For all users of **GCHD/Authority** for whom Medicare/Medicaid may be responsible to make payments, **GCHD/Authority** shall accept Medicare/Medicaid assignments for medically necessary non-emergency transports, as determined by Medicare/Medicaid guidelines. **GCHD/Authority** shall also use its best efforts to pursue collection of Medicare/Medicaid required co-payments. If Medicare/Medicaid determines that transportation was not medically necessary, the individual non-emergency transported shall be charged a fee in accordance **GCHD/Authority's Schedule of Non-Emergency Transfer Fees** except to the extent such charges are prohibited by law.

GCHD/Authority shall invoice for and use its best efforts to collect from any available source (e.g. direct patient pay or insurance) its charges based on its **Schedule of Non-Emergency Transfer Fees** for all non-emergency transfers performed during the term of this Agreement. **GCHD/Authority** will continue to attempt collection of any outstanding invoice based on any service performed while this Agreement is in event even if the billing and collection occurs after termination of this Agreement.

The collection of the fees permitted in this section shall be the sole responsibility of **GCHD/Authority**. Under no circumstances shall **County** or **Cities** be responsible for any non-payments from any patients for any reason.

Section 6. Fiscal Management

GCHD/Authority agrees:

- to bill, receive and handle the revenues from all non-emergency transfers;
- to keep and maintain sound fiscal records recording all such transactions and billing;
- to have a fiduciary duty to **County** to account for all funds owed to **County**;
- that in accordance with 42 U.S.C., §1395x(V)(1)(1) (Social Security Act §1861(v)(1)(1) and 42 C.F.R., Part 420, Subpart D, §420.300, et seq., until the expiration of four (4) years after the furnishing of Medicare reimbursable services, upon proper written request.

allow the Comptroller General of the United States, the Department of Health and Human Services, and their duly authorized representatives access to this Agreement and to **GCHD/Authority's** books, documents and records (as such terms are defined in 42 C.F.R., §420.301) necessary to verify the nature and extent of cost of Medicare Reimbursable Services provided under this Agreement; and

- that if Medicare or Medicaid reimbursable services provided by **GCHD/Authority** under this Agreement are carried out by the means of a subcontract with an organization related to **GCHD/Authority**, and such related organization provides the services at a value or cost of \$10,000 or more over a twelve (12) month period, then the subcontract between **GCHD/Authority** and the related organization shall contain a clause comparable to the clause specified in the preceding sentence;
- to comply with all HIPAA rules and regulations; and
- that **County**, through its **County Auditor**, has the unfettered right to audit the financial records of **GCHD/Authority** relating to the **Non-Emergency Transfer Services** provided herein.

Section 7. Overages and Shortages

It is the desire of the parties that the services provided by **GCHD/Authority** under this Agreement will render sufficient revenues to fully maintain its operations without the necessity of a subsidy. But, should short-falls occur, **County** has agreed to tender to **GCHD/Authority** such funds the parties mutually agree are necessary to maintain operations.

GCHD/Authority shall annually, by the end of February, reconcile the previous year's budget. A copy of the reconciliation, showing **Net Revenue/Net Loss** will be provided to **County**. As consideration for the covenants provided by **County** under this Agreement, **GCHD/Authority** shall remit, on an annual basis by the end of April to **County**, 100% of **Net Revenue**, if any, received from all non-emergency transfers. Similarly, **County** will remit, on an annual basis by the end of April to **GCHD/Authority**, 100% of **Net Loss**, if any.

The obligation of **GCHD/Authority** to remit **Net Revenues** to **County** and the obligation of **County** to remit **Net Losses** to **GCHD/Authority** for services rendered while this Agreement is in effect shall survive expiration or termination of this Agreement.

Net Revenue/Net Loss for purposes of this Agreement is defined as the annual **Gross Revenues** minus the annual budgeted costs for **Capital Equipment** and **Transfer Operations Expenses**, and **System Coordination Expenses**, which are further defined as follows:

- **Capital Equipment** shall mean expenditures for large equipment related to the operation of the non-emergency transfer operations.
- **Transfer Operations Expenses** shall mean costs of operating the non-emergency transfer operations within the areas covered by this Agreement.

Commencing in August, **GCHD/Authority** will budget its operations using as a guideline projected revenues through the **Galveston Mainland Transfer Budget** for the upcoming year commencing October 1st. This **Budget** is one of the separate business components of **GCHD/Authority**. **GCHD/Authority** shall present to **County** a copy of the

Budget adopted by its **Board of Health** within 30 days of its adoption. The **County** will review the **Budget** and, if concerns arise relating to upcoming expenditures, consult with **GCHD/Authority** about the possibility of revising the **Budget**.

GCHD/Authority shall maintain a capital recovery fund, in an amount agreed to by **County**, to assist in future purchases of capital equipment.

Section 8. Dispute Resolution and Venue

The parties agree that all claims, disputes, and controversies arising out of or in relation to the performance, interpretation, application, or enforcement of this Agreement, including but not limited to an alleged breach thereof, shall be referred to mediation before, and as a condition precedent to, the initiation of any adjudicative action or proceeding.

The parties further agree that this Agreement is made, and shall be construed and interpreted under the laws of the State of Texas, unless preempted by an applicable federal law, and that venue for any legal action shall lie in Galveston County, Texas.

Section 9. Miscellaneous

In case one or more of the provisions contained in this Agreement shall, for any reason held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision, and this Agreement shall be construed as if the invalid, illegal or unenforceable provision had never been contained in the Agreement.

No attorney-client, accountant-client or other legal privilege will be deemed to have been waived by any party by virtue of execution of this Agreement.

This Agreement contains the entire Agreement between the parties hereto and may only be amended, altered, or revoked by written instrument signed by the parties hereto.

Any notice and/or statement required and permitted to be delivered shall be deemed delivered by depositing the same in the United States mail, certified with return receipt requested, postage prepaid, addressed to the appropriate party at the following addresses, or at such other addresses provided by the parties in writing:

Galveston County Health District, ATTN: Warren J. Holland, III, COO, P.O. Box 939, La Marque, TX 77568

County of Galveston, ATTN: Honorable Judge James Yarbrough, 722 Moody, Galveston, TX 77550

City of Dickinson, ATTN: Julie Johnston, 2716 FM 517 East, Dickson, TX 77539

City of La Marque, Mayor Geraldine Sam, 1111 Bayou, La Marque, TX 77568

Village of Tiki Island, Mayor Phillip Hopkins, 802 Tiki Drive, Tiki Island, TX 77554

City of Bayou Vista, Mayor Ed Flanagan, 2929 Hwy 6, Suite 100, Bayou Vista, TX 77563

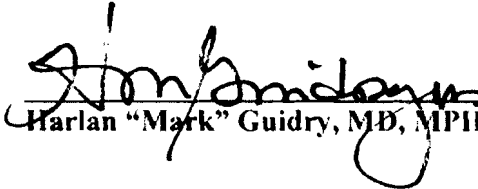
City of Hitchcock, Mayor Anthony Matranga, 7423 Hwy 6, Hitchcock, TX 77563

City of Texas City, Mayor Matthew T. Doyle, 1801 9th Avenue N, Texas City, TX 77592

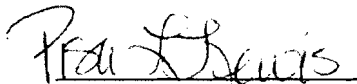
This Agreement may be executed in multiple counterparts, each of which shall be considered an original, but all of which shall constitute one instrument.

Executed this 18th day of December, 2009.

Galveston County Health District


Harlan "Mark" Guidry, MD, MPH

Attest:


Secretary

This Agreement may be executed in multiple counterparts, each of which shall be considered an original, but all of which shall constitute one instrument.

Executed this _____ day of _____, 20__.

City of Texas City, Texas

Attest:

Secretary

GALVESTON AREA AMBULANCE AUTHORITY

FY2010 PROPOSED GAAA FEE SCHEDULE

To be used for billing third parties insurers and patients for services rendered

	<u>CPT Code</u>	<u>Billing Code</u>	<u>Description</u>	<u>Proposed Fees</u>
BLS NON-EMERGENCY	A0428	1a	Basic level (EMT) Non-emergency transport	
BLS EMERGENCY	A0429	2	Basic level (EMT) Emergency response	
ALS NON-EMERGENCY	A0426	1	Advanced level Non-emergency transport (EMT Intermediate or Paramedic)	
ALS EMERGENCY	A0427	M2	Advanced level Emergency response (EMT Intermediate or Paramedic)	
ALS 2 EMERGENCY	A0433	M4	Enhanced Advanced level Emergency (EMT Intermediate or Paramedic) includes 3 IV Medications &, ET Intubation, EKG, defibrillation or pacing	
HELICOPTER TRANSPORT	A0431	B4	Helicopter transport crew	
HELICOPTER TRANSPORT / ALS FLIGHT CREW	A0436	B6	Helicopter transport for offshore crew	\$ 950.00
EXTRA ATTENDANT	A0424	14	Difficult lifting and moving situations	\$ 90.00
MILEAGE	A0425	M5	Per loaded mile	\$ 15.00
WAITING TIME	A0420	17	Per one-half hour	\$ 75.00
NO TRANSPORT	A0999	126 / 127	Person calls for service and then declines	\$ 100.00
PUBLIC ASSIST	A0999	128	Assist mobility impaired residents	\$ 50.00

The United Board of Health By-Laws grant the Chief Executive Officer or his designee the right to negotiate contractual rates with third party institutions for patient transportation based on legitimate need and the best interest of GAAA, GCHD and the United Board of Health.

Approved 8/27/09