



Office of County Affairs  
301 University Blvd.  
Galveston, Texas 77555-0974

July 27, 2009

Honorable Judge Dan A. Gattis  
Williamson County  
710 Main Street, Suite 101  
Georgetown, Texas 78626

**RE: FY2010 Interlocal Cooperation Act Contract between UTMB and  
Williamson County (the Contract)**

Dear Honorable Judge Dan A. Gattis,

Enclosed is the Fiscal Year 2010 Interlocal Cooperation Act Contract for the period September 1, 2009 through August 31, 2010 for health care services at UTMB. It has been a difficult year for UTMB post Hurricane Ike given the extensive damage to our facilities. Fortunately, with the help and support of UT System and the Texas Legislature, UTMB is on the road to recovery and, in due time, will eventually be restored to its pre-storm capacity.

However, it has become very clear that UTMB must be fiscally responsible and cannot continue to operate with a deficit. Thus, there have been several changes to this year's contract that address reimbursement issues to ensure we remain fiscally sound.

UTMB will offer health care services to counties' eligible residents with the following changes in the FY2010 contractual agreement:

- The \$30,000 or 30 days of hospitalization cap out on the amount counties pay UTMB for authorized services rendered has been increased to \$60,000.
- The compensation rates in the Contract have been increased as follows:
  - In-Patient 54% of current billed charges
  - Out-Patient 43% of current billed charges
  - Professional fees 120% of Texas Medicaid Reimbursement
  - Other rates are detailed in Exhibit D, Compensation Schedule.
- UTMB is contracting with an independent provider to operate its emergency department. Under the terms of the agreement between UTMB and the provider, each county desiring coverage for an Eligible Resident will be required to independently contract with the emergency department provider.

- UTMB has included a "hurricane" clause ("Force Majeure") in the Contract to define when providing services to the counties would be impossible.

I would additionally like to update you regarding some of our services from my last letter to you. We are still unable to provide Radiation Oncology and Inpatient Psychiatry services at this time. Also, as noted above, our Emergency Room is re-opening August 1<sup>st</sup> and will be managed by outside emergency physicians employed by Barrier Reef Emergency Physicians. To establish an in-network agreement with this group, please make the following contact:

Edward Rodriguez  
Managed Care Contracting Executive  
Reimbursement Technologies  
1000 River Rd, Suite 100  
Conshohocken, PA 19428  
Phone: 610-834-2828 ext 5458  
Fax: 610-834-2836

Please review the enclosed Contract and contact us via email with any questions relating to the contract at [www.office.county.affiars@utmb.edu](mailto:www.office.county.affiars@utmb.edu) and we will get back to you as soon as possible. Please return both original copies of the contract with your signature and we will return an original executed contract to you. We appreciate your understanding and support over the past year as UTMB continues its rebuilding process.

Sincerely,



Beverly C. Dowling  
Assistant Vice President  
Health Policy and Legislative Affairs - Community Health Network

BCD/jag

Enclosure