

**APPROVING AN INTERGOVERNMENTAL AGREEMENT BETWEEN THE CITY OF DEKALB AND THE ILLINOIS DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES IN CONNECTION WITH SUPPLEMENTAL AMBULANCE RATES.**

**WHEREAS**, the City of DeKalb (the "City") is a home rule unit of local government which may exercise any power and perform any function pertaining to its government and affairs pursuant to Article VII, Section 6, of the Illinois Constitution of 1970; and

**WHEREAS**, the Intergovernmental Cooperation Act, 5 ILCS 220/1, *et seq.*, authorizes cooperative agreements between the State of Illinois and Illinois units of local government; and

**WHEREAS**, the IDHS requires the City to enter into an intergovernmental agreement in the same or substantially similar form as Exhibit A attached hereto and incorporated herein (the "IGA") to distribute supplemental Medicaid payments for ground emergency medical transportation; and

**WHEREAS**, the City's Corporate Authorities find that the approval of the IGA is in the public interest and promotes the public health, safety and welfare;

**NOW, THEREFORE BE IT ORDAINED** by the Mayor and City Council of the City of DeKalb, DeKalb County, Illinois, as follows:

**SECTION 1:** The recitals to this Resolution are true, material, adopted, and incorporated herein as Section 1 to this Resolution.

**SECTION 2:** The City's Corporate Authorities authorize and approve the IGA in the same or substantially similar form as Exhibit A attached hereto and incorporated herein, and further direct the City Manager to execute the IGA and to take all other acts which may be necessary to effectuate the IGA.

**SECTION 3:** This Resolution and each of its terms shall be the effective legislative act of a home rule municipality without regard to whether such resolution should (a) contain terms contrary to the provisions of current or subsequent non-preemptive state law, or (b) legislate in a manner or regarding a matter not delegated to municipalities by state law. It is the intent of the Corporate Authorities of the City of DeKalb that to the extent that the terms of this resolution should be inconsistent with any non-preemptive state law, that this resolution shall supersede state law in that regard within its jurisdiction.

**SECTION 4:** That the City Clerk and/or the Executive Assistant of the City of DeKalb, Illinois be authorized and directed to attest the Mayor's signature and that this Resolution shall be in full force and effect from and after its passage and approval as provided by law.

**PASSED BY THE CITY COUNCIL** of the City of DeKalb, Illinois, at a Regular meeting thereof held on the 14<sup>th</sup> day of September 2020 and approved by me as Mayor on the same day. Passed by an 8-0 roll call vote. Aye: Morris, Finucane, Smith, Perkins, McAdams, Verbic, Faivre, Mayor Smith. Nay: None.

**ATTEST:**

  
RUTH A. SCOTT, Executive Assistant

   
JERRY SMITH, Mayor

**INTERGOVERNMENTAL AGREEMENT  
BETWEEN  
THE ILLINOIS DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES  
AND  
THE CITY OF DEKALB  
2021-20-\_\_**

The Illinois Department of Healthcare and Family Services (the "Department" or "HFS") and the City of DeKalb, an Illinois home rule municipal corporation, (the "Local Government") pursuant to the Intergovernmental Cooperation Act, 5 ILCS 220/1 *et seq.* (the "IGA Act"), hereby enter into this Intergovernmental Agreement (the "Agreement") in connection with supplemental ambulance rates. HFS and the Local Government are collectively referred to herein as "Parties" or individually as a "Party."

**ARTICLE I  
INTRODUCTION**

1.01 **Background.** Article XII of the Illinois Public Aid Code, 305 ILCS 5/5 *et seq.* (the "Public Aid Code"), authorizes the Department to make use of, aid and co-operate with State and local governmental agencies, and the IGA Act provides for cooperation between units of government. Local Government operates an emergency ambulance service (Provider) that is enrolled in the Medical Programs (as defined below) and provides Covered Ambulance Services (as defined below) to individuals eligible for benefits under the Medical Programs (as defined below); however, the costs of providing the referenced services is not covered by the fee schedule pursuant to which the Department and its agents pay for such services.

1.02 **Purpose.** In order to provide greater cost coverage to Provider for Covered Ambulance Services, the Parties enter into this Agreement.

1.03 **Definitions**

- (a) **Agent** means Managed Care Organizations and Administrative Services Organizations.
- (b) **ALS** means Advanced Life Support billed under CPT Code A0427.
- (c) **BLS** means Basic Life Support billed under CPT Code A0429.
- (d) **Base Rate** means the fee-schedule rate for Provider on the Department's rate sheet for the Provider as of September 30, 2019.
- (e) **Covered Ambulance Services or Services** means all ALS and BLS emergency ground ambulance services trips reimbursable under the Illinois Medicaid state plan, provided to beneficiaries of Medical Programs, and does not include mileage or oxygen.
- (f) **Interim Rate** means the payments to Provider for Covered Ambulance Services in addition to the Base Rate and calculated pursuant to Article III.
- (g) **Medical Programs** means programs administered by the Department under the Public Aid Code, the Children's Health Insurance Program Act (215 ILCS 106/1 *et seq.*) and the Covering All Kids Health Insurance Act (215 ILCS 170/1 *et seq.*).
- (h) **Quarterly Invoice** means an itemized statement provided to the Local Government by the Department regarding the agreed upon transfer amount pursuant to Article II.
- (i) **Rate Year** means calendar year.

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### **ARTICLE II INTERGOVERNMENTAL TRANSFER**

2.01 Local Government will transfer to the Department on a quarterly basis an amount equal to 50% of the total Interim Rates, as described in Article III, received by Provider from the Department and its agents for the prior quarter.

2.02 The Department will send a Quarterly Invoice to Local Government for the transfer of 50% of the supplemental payments described in Article II and transfer shall be made within 30 days after the receipt of the Quarterly Invoice by the Local Government.

### **ARTICLE III INTERIM RATES FOR SERVICES**

3.01 Calculation. The Interim Rate will be determined as follows:

- (a) Department will calculate, using data from each Provider's most recent timely filed approved cost report, Provider's total costs for Covered Ambulance Services.
- (b) Using data from the cost report and the Department's data on Medicaid paid claims for covered ambulance services and provider's charges for those services, the Department will calculate an interim rate for ALS and BLS services that covers the cost above the Base rate for those services.

3.02 Reimbursement. The Department shall pay or cause its agents to pay Interim Rates to Provider for Covered Ambulance Services pursuant to this Article III in addition to payments made at the Provider's Base Rate. The Interim and Base Rates will be added together during claims processing and paid as a single rate.

3.03 Cost Reports. The Department will annually notify Provider of the cost report template to be used and provide instructions and a due date for submission in order for Provider to be eligible for an Interim Rate the next Rate Year.

3.04 Reconciliation. Once the Department has a cost report covering a Rate Year in which Provider received an Interim Rate, it will calculate the actual cost per trip during the Rate Year and determine whether the Interim Rate underpaid or overpaid Provider for the cost of the Services. If Provider was underpaid, the Department will make a further payment to cover costs. If Provider was overpaid, the Department will notify Provider of the net amount due to the Department, taking into account amounts already transferred to the Department pursuant to Article II.

### **ARTICLE IV TERM**

4.01 Term. This Agreement shall commence January 1, 2021, provided Provider's Cost Report was received by the Department on or before October 1, 2020, and shall continue in subsequent years provided all program requirements are met until otherwise terminated by the Parties.

### **ARTICLE V TERMINATION**

5.01 Termination on Notice. This Agreement may be terminated by either Party for any or no reason upon thirty (30) days' prior written notice to the other Party.

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5.02 Termination for Cause. In the event either Party breaches this Agreement and fails to cure such breach within ten (10) days' written notice thereof from the non-breaching Party, the non-breaching Party may terminate this Agreement upon written notice to the breaching Party.

5.03 Availability of Appropriation; Sufficiency of Funds. This Agreement is contingent upon and subject to the availability of sufficient funds. The Department may terminate or suspend this Agreement, in whole or in part, without advance notice and without penalty or further payment being required, if (i) sufficient funds for this Agreement have not been appropriated or otherwise made available to the Department by the State or the Federal funding source, (ii) the Governor or the Department reserves funds, or (iii) the Governor or the Department determines that funds will not or may not be available for payment. The Department shall provide notice, in writing, to Provider of any such funding failure and its election to terminate or suspend this Agreement as soon as practicable. Any suspension or termination pursuant to this Section will be effective upon the date of the written notice unless otherwise indicated.

### ARTICLE VI MISCELLANEOUS

6.01 Renewal. This Agreement may be renewed for additional periods by mutual consent of the Parties, expressed in writing and signed by the Parties.

6.02 Amendments. This Agreement may be modified or amended at any time during its term by mutual consent of the Parties, expressed in writing and signed by the Parties.

6.03 Applicable Law and Severability. This Agreement shall be governed in all respects by the laws of the State of Illinois. If any provision of this Agreement shall be held or deemed to be or shall in fact be inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all cases because it conflicts with any other provision or provisions hereof or any constitution, statute, ordinance, rule of law or public policy, or for any reason, such circumstance shall not have the effect of rendering any other provision or provisions contained herein invalid, inoperative or unenforceable to any extent whatsoever. The invalidity of any one or more phrases, sentences, clauses, or sections contained in this Agreement shall not affect the remaining portions of this Agreement or any part thereof. In the event that this Agreement is determined to be invalid by a court of competent jurisdiction, it shall be terminated immediately.

6.04 Records Retention. The Parties shall maintain for a minimum of six (6) years from the later of the date of final payment under this Agreement, or the expiration of this Agreement, adequate books, records and supporting documents to comply with the Illinois State Records Act. If an audit, litigation or other action involving the records is begun before the end of the six-year period, the records shall be retained until all issues arising out of the action are resolved.

6.05 No Personal Liability. No member, official, director, employee or agent of either Party shall be individually or personally liable in connection with this Agreement.

6.06 Assignment; Binding Effect. This Agreement, or any portion thereof, shall not be assigned by any of the Parties without the prior written consent of the other Parties. This Agreement shall inure to the benefit of and shall be binding upon the Parties and their respective successors and permitted assigns.

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6.07 Precedence. In the event there is a conflict between this Agreement and any of the exhibits hereto, this Agreement shall control. In the event there is a conflict between this Agreement and relevant statute(s) or Administrative Rule(s), the relevant statute(s) or rule(s) shall control.

6.08 Entire Agreement. This Agreement constitutes the entire agreement between the Parties; no promises, terms, or conditions not recited, incorporated or referenced herein, including prior agreements or oral discussions, shall be binding upon either Party.

6.09 Notices. All written notices, requests and communications may be made by electronic mail to the e-mail addresses set forth below.

To HFS: Mary.Doran@illinois.gov  
Kiran.Mehta@illinois.gov

To Local Government: Jeff.Mcmaster@CITYOFDEKALB.com  
Bill.nicklas@CITYOFDEKALB.com

6.10 Headings. Section and other headings contained in this Agreement are for reference purposes only and are not intended to describe, interpret, define or limit the scope, extent or intent of this Agreement or any provision hereof.

6.11 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be considered to be one and the same agreement, binding on all Parties hereto, notwithstanding that all Parties are not signatories to the same counterpart. Duplicated signatures, signatures transmitted via facsimile, or signatures contained in a Portable Document Format (PDF) document shall be deemed original for all purposes.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their duly authorized representatives.

### LOCAL GOVERNMENT

SIGNATURE



NAME:

Bill Nicklas

TITLE:

City manager

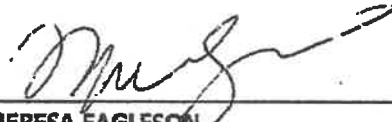
DATE:

9-14-2020

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**ILLINOIS DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES**

  
\_\_\_\_\_  
**THERESA EAGLESON**  
**DIRECTOR**

**DATE:** 4/7/21



# ILLINOIS FIRE CHIEFS ASSOCIATION

*Dedicated to excellence in the Fire Service*

Post Office Box 7 ▪ Skokie, Illinois 60076-0007  
Phone (847) 966-0732 ▪ 1-800-662-0732 ▪ FAX (847) 966- 0782  
Website: [www: Illinoisfirechiefs.org](http://www.Illinoisfirechiefs.org)

October 4, 2019

As many of our members are aware, the IFCA has been pursuing a program for supplemental Medicaid payments commonly known as GEMT (Ground Emergency Medical Transportation). The final details will not be available until the approval of the State Plan Amendment that was recently submitted to the Centers for Medicare and Medicaid Services for approval. We believe that plan will be approved before the end of 2019. This is a very important program that will generate millions of Federal dollars for Illinois Fire Departments and Districts.

Here are some of the details:

- To be eligible to receive funding your organization must meet the following criteria:
  - Submit to Medicaid for the cost of transportation to a recognized facility (hospital) under a National Provider Identifier (NPI) registered to a public provider (Municipality or District)
  - Be considered an "obligated provider" of emergency response and transportation to a hospital. This means that you are required by law or statute to respond, treat and transport
- Annually complete a detailed cost report that delineates your cost of service EMS per response on a Department of Health and Family Services (HFS) approved form
- Execute an Intergovernmental Agreement (IGA) with the State of Illinois HFS
- Maintain a completed cost report and IGA on file with HFS
- The distribution process
  - Based on cost reports filed, HFS will take the cost per trip and subtract out the weighted average fee schedule reimbursement to develop a uniform per trip supplemental payment. For Departments/Districts (FDs) in a region, HFS will calculate and average cost per trip
  - The weighted average fee schedule reimbursement will use the regional fee schedule for the four codes for emergency and non-emergency BLS and ALS
  - FDs will submit to Medicaid through your normal billing process
  - For Fee-for-Service (FFS) claims, this add-on amount will be added to the HFS fee schedule rate so that FDs are paid the full amount as claims are processed
  - MCO claims will be initially paid at their current fee schedule rates
    - On a quarterly basis, HFS will identify in MCO encounter claims (encounter claims are claims paid by MCOs to the FDs)
    - HFS will count all paid claims to participating FDs and multiply the supplemental add-on amount by the number of claims to calculate how much is owed to each FD
    - A supplemental capitation payment will be sent to each MCO with instructions on how much is owed to each FD
    - MCOs will forward these payments to FDs within a short time of receipt
  - Following receipt of these supplemental payments from the MCOs, FDs will receive an invoice from HFS for 50% of the amount they received from the MCOs plus 50% of the supplemental amount paid in fee-for-service claims
  - The invoiced amount must be remitted back to the State in accordance with the previously submitted IGA

A calculation example follows. Please note these dollar amounts are used as an example and not indicative of actual experience. **THIS IS JUST AN EXAMPLE**

The average cost per trip for a given region is \$2000.

The average standard Medicaid fee schedule will pay \$500

For fee for service claims the FD will receive the full \$2000

For MCO claims the FD will initially receive the weighted fee \$500.

These claims will be reviewed quarterly and the FD will then receive an additional \$1500

HFS will invoice the FD for \$750.00 for each Medicaid claim (both FFS and MCO)

The net gain to the FD will be \$750.00 for this trip

It must be noted that this is a voluntary program, there is no requirement to participate.

Below is important information on the current timeline.

- For FDs that submitted cost reports prior to October 1 and a signed IGA by November 1, HFS will adjust their fee-for-service rate for dates of service October 1 and after.
  - In this case, the first supplemental MCO Directed Payment cannot be sent until federal approval of the HFS plan for the Directed Payments. We expect this to happen late in the fourth quarter of calendar 2019.
- For FDs that submit a cost report and IGA in October (PRIOR TO NOVEMBER 1st), they will begin receiving supplemental payments effective January 2020 for both fee-for-service and MCO claims
  - Again, the first supplemental MCO Directed Payment cannot be sent until federal approval of our plan for the Directed Payments.
- Departments that do not have a cost report and IGA submitted in October will not be eligible to join the program until 2021. The Deadline for submitting cost reports and IGAs for 2021 participation will be October 1, 2021

As noted above, this program has not yet received Federal approval, the information above is the best available and represents what was submitted to CMS. Without Federal approval, the actual cost report form is not yet available. The IFCA also strongly recommends that interested Departments and Districts work very closely with their billing agency to complete the required cost report.

Historically, these programs have been subject to stringent audits by Medicaid and participating agencies should be prepared for this likelihood.

More information will be available as the program proceeds through the Federal approval process. Updates have been posted to the Illinois Fire Chiefs Association website under the Legislative section <https://www.illinoisfirechiefs.org/legislation/GEMT/>.

Additionally, HFS is hosting a conference call on **Monday October 7, 2019 at 9:00am** to address questions about the cost report. The call in information is:

Phone Number: **888-494-4032**

Passcode: **2949284410**

The main contact will be Jim Parker, with assistance from Randy Hulskotter from the Medicaid office.