



Legislation Text

File #: 19-971, Version: 1

CITY COUNCIL AGENDA ITEM

ACTION REQUESTED:

Adopt the resolution authorizing the City Manager to execute an intergovernmental agreement between the City and the Department of Healthcare and Family Services related to enhanced reimbursement for ambulance services.

DEPARTMENT: Fire Department

SUBMITTED BY: Fire Chief Mark J. Puknaitis

BOARD/COMMISSION REVIEW:

N/A

BACKGROUND:

Between July 1, 2018 to June 30, 2019, the Naperville Fire Department (NFD) transported 981 Medicaid patients. The City receives reimbursement in the amount of approximately \$172 per Medicaid transport. Generally, a Naperville Fire Department ambulance transport costs the City an average of approximately \$2,604 per transport.

The State of Illinois recently developed a Ground Emergency Medical Transportation (GEMT) program to supplement Medicare ambulance transport reimbursements to eligible public transport providers. The intent of the program is to reduce the gap between providing public transport services and Medicaid's reimbursement. The program is funded from a variety of funding sources gathered by the State, including federal funding. Other states, such as California, Washington, and Iowa have implemented similar GEMT programs.

The City is required to enter into an intergovernmental agreement (IGA) with the State of Illinois, through the Department of Healthcare and Family Services (DHFS), to participate in the GEMT program. Then, the City will submit cost reports to the DHFS for reimbursement on a routine basis. The program requires the City to split eligible reimbursement revenues with the State of Illinois on an equal basis (50/50).

DISCUSSION:

The State of Illinois' Intergovernmental Cooperation Act authorizes cooperation between units of government through the implementation of IGAs. The proposed IGA between the City and DHFS is intended to provide greater cost coverage to the City through enhanced rates for ambulance transport services. The term of the IGA commences on October 1, 2019 and shall continue until otherwise terminated by either party. The agreement may be terminated by either party for any or no reason upon 30 days' written notice. The IGA has been reviewed and approved by City Legal.

FISCAL IMPACT:

Naperville has traditionally received an average of approximately \$170,000 in Medicaid reimbursements annually. Under the GEMT program, after the split with the State of Illinois, the City's net reimbursement for Medicaid transports is anticipated to increase to approximately \$900,000 annually.