



Legislation Details (With Text)

**File #:** 2021-1330    **Version:** 1  
**Type:** Ordinance    **Status:** Passed Finally  
**File created:** 3/19/2021    **In control:** Committee on Intergovernmental Affairs  
**On agenda:** 3/23/2021    **Final action:** 4/6/2021  
**Enactment date:** 4/6/2021    **Enactment #:** 11  
**Effective date:** 4/8/2021

**Title:** Ordinance authorizing the City of Pittsburgh (“City”) to enter into an Intergovernmental Cooperation Agreement or Agreements with the Commonwealth of Pennsylvania, Department of Human Services (“DHS”) with regard to Medicaid reimbursement services, for a term of three years plus one possible two-year extension at the parties’ mutual option. The Agreement(s) shall result in net revenue for the City but will require upfront expenses in an amount not to exceed One Million Three Hundred Sixty-Three Thousand Eight Hundred Ten Dollars (\$1,363,810) annually, for a total amount not to exceed Six Million Eight Hundred Nineteen Thousand Fifty Dollars (\$6,819,050).

**Sponsors:**

**Indexes:** AGREEMENTS, COOPERATION AGREEMENT/S

**Code sections:**

**Attachments:** 1. 2021-1330 Cover Ltr IGA Medicaid letter (1), 2. 2021-1330 DHS Ambulance\_Pittsburgh\_Model\_updated, 3. Summary 2021-1330

| Date      | Ver. | Action By          | Action                    | Result |
|-----------|------|--------------------|---------------------------|--------|
| 4/8/2021  | 1    | Mayor              | Signed by the Mayor       |        |
| 4/6/2021  | 1    | City Council       | Passed Finally            | Pass   |
| 3/31/2021 | 1    | Standing Committee | Affirmatively Recommended | Pass   |
| 3/23/2021 | 1    | City Council       | Read and referred         |        |

Ordinance authorizing the City of Pittsburgh (“City”) to enter into an Intergovernmental Cooperation Agreement or Agreements with the Commonwealth of Pennsylvania, Department of Human Services (“DHS”) with regard to Medicaid reimbursement services, for a term of three years plus one possible two-year extension at the parties’ mutual option. The Agreement(s) shall result in net revenue for the City but will require upfront expenses in an amount not to exceed One Million Three Hundred Sixty-Three Thousand Eight Hundred Ten Dollars (\$1,363,810) annually, for a total amount not to exceed Six Million Eight Hundred Nineteen Thousand Fifty Dollars (\$6,819,050).

WHEREAS, DHS is the single state agency responsible to administer the Medicaid Program in Pennsylvania, which is known as the Pennsylvania Medical Assistance (“MA”) Program;

WHEREAS, the City operates a Department of Public Safety, Bureau of Emergency Medical Services, (“City EMS”) that participates as a provider in the MA Program;

WHEREAS, the City EMS provides essential emergency medical services and serves as a vital safety net for numerous MA beneficiaries and other Pittsburgh residents;

WHEREAS, the City EMS incurs substantial costs to provide emergency medical services to MA beneficiaries;

and,

WHEREAS, DHS will seek the approval of the Centers for Medicaid Services (“CMS”) to develop new Managed Care Organizations (MCOs) and implement within Pennsylvania’s MA managed care delivery system a minimum ground ambulance transportation fee (“Fee Schedule”); and

WHEREAS, said Agreement(s) allow the City and its billing contractor to charge higher rates under the MA Program and can be expected to net significant revenue for the City; and

WHEREAS, said Agreement(s) will require upfront encumbrances as set forth below in order to reimburse DHS on a quarterly basis as required by the MA Program.

**Be it resolved by the Council of the City of Pittsburgh hereby enacts as follows:**

**SECTION 1 - CONDITIONS OF AGREEMENT**

The Mayor and the Director of Public Safety are hereby authorized to enter into an Intergovernmental Cooperation Agreement or Agreements with the Commonwealth of Pennsylvania, Department of Human Services, for Medicaid reimbursement services pursuant to the General Local Government Code, 53 Pa. C.S. §§2301 *et seq.*, 62 P.S. §101, 42 U.S.C. §1302 and 42 CFR §433.51, as implemented through Pennsylvania’s Medical Assistance (“MA”) Program managed care delivery system.

**SECTION 2 - DURATION OF AGREEMENT**

Said Agreement(s) shall be for a term of three years, with one mutual two-year option, commencing on January 1, 2021.

**SECTION 3 - PURPOSE AND OBJECTIVES**

The purpose of said Agreement(s) is to generate significant net revenues for the City and to ensure additional funds are available to enable it to maintain continued access to emergency medical services for Medicaid managed care participants in the City.

**SECTION 4 - FINANCING**

Pursuant to 53 P.S. §2307(4), and in consideration of the services that must be financed pursuant to this Agreement, the City shall pay DHS a fixed amount on a quarterly basis per the schedule attached to the parties’ Intergovernmental Cooperation Agreement. The costs to be reimbursed by the City to DHS shall be in an amount not to exceed One Million Three Hundred Sixty-Three Thousand Eight Hundred Ten Dollars (\$1,363,810) annually, for a total amount not to exceed Six Million Eight Hundred Nineteen Thousand Fifty Dollars (\$6,819,050). Expenditures will be made from the following JDE Accounts:

|                            |                           |
|----------------------------|---------------------------|
| 11101.220000.58.58101.2021 |                           |
| 11101.220000.58.58101.2022 |                           |
| 11101.220000.58.58101.2023 |                           |
| 11101.220000.58.58101.2024 |                           |
| 11101.220000.58.58101.2025 |                           |
| <b>TOTAL:</b>              | <b><u>\$6,819,050</u></b> |

**SECTION 5 - ORGANIZATIONAL STRUCTURE**

Services provided by the City as authorized hereunder are organized under its Department of Public Safety, Bureau of Emergency Medical Services.

**SECTION 6 - REAL/PERSONAL PROPERTY**

All property involved in the performance of said Agreement(s) is owned by the City of Pittsburgh.

**SECTION 7 - GROUP INSURANCE/EMPLOYEE BENEFITS**

Pursuant to 53 P.S. §2307(7), to the extent that any is entity created hereunder it shall be empowered to enter into contracts for policies of group insurance and employee benefits, including Social Security, for its employees.

**SECTION 8 - MISCELLANEOUS**

All resolutions and ordinances or portions thereof that are inconsistent herewith are hereby repealed to the extent of such inconsistency.

Said Intergovernmental Cooperation Agreement(s) shall be in a form approved by the City Solicitor.