

**THIS IS A DRAFT AND WILL BE REPLACED BY THE FINAL, SIGNED
ORDINANCE OR RESOLUTION ADOPTED BY THE CITY COUNCIL.**

ORDINANCE

AUTHORIZING THE SAN ANTONIO METROPOLITAN HEALTH DISTRICT’S CONTINUED PARTICIPATION IN THE MEDICAID 1115 (A) DEMONSTRATION WAIVER PROGRAM KNOWN AS THE “TEXAS HEALTHCARE TRANSFORMATION AND QUALITY IMPROVEMENT PROGRAM” (THE WAIVER PROGRAM); ACCEPTANCE OF FUNDS REIMBURSED THROUGH YEAR 2 OF THE WAIVER PROGRAM’S PUBLIC HEALTH PROVIDER CHARITY CARE PROGRAM IN AN AMOUNT UP TO \$3,442,189.38; APPROVING REVISED FISCAL YEAR BUDGETS IN AN AMOUNT UP TO \$8,672,225.00 FOR THE PERIOD BEGINNING OCTOBER 1, 2023 THROUGH SEPTEMBER 30, 2024 USING WAIVER PROGRAM CASH RESERVE FUNDS; APPROVING FISCAL YEAR BUDGETS IN AN AMOUNT UP TO \$9,585,224.00 FOR THE PERIOD BEGINNING OCTOBER 1, 2024 THROUGH SEPTEMBER 30, 2025 USING WAIVER PROGRAM CASH RESERVE FUNDS AND AUTHORIZING THE EXECUTION OF MEMORANDA OF AGREEMENT THAT ENHANCE PROGRAM SERVICES WITH NO EXCHANGE OF FUNDS ASSOCIATED WITH THESE GRANT-FUNDED PROJECTS.

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WHEREAS, on January 31, 2013, City Council authorized the submission of six (6) project proposals for consideration and funding as part of the “Texas Healthcare Transformation and Quality Improvement Program” or “1115 Medicaid Waiver Program;” and

WHEREAS, the Medicaid 1115 Waiver created two funding pools in Texas for Uncompensated Care reimbursement for hospitals and the Delivery System Reform Incentive Payment (DSRIP) pool program; and

WHEREAS, the DSRIP program provides incentive payments for hospitals and other providers who make investments in delivery system reforms that increase access to healthcare, improve the quality of care, and enhance population health; and

WHEREAS, on December 21, 2017, the Centers for Medicare and Medicaid Services (CMS) announced a five-year extension of the Medicaid 1115 Waiver Program; and

WHEREAS, CMS authorized continued funding for four years, out of the five year extension, for the DSRIP program; and

WHEREAS, the first two years of the extension (October 1, 2017 through September 30, 2019) remained at current funding levels with a reduction of 5% and 20% respectively in demonstration years nine (9) and ten (10) (October 1, 2019 through September 30, 2021); and

WHEREAS, on September 7, 2021, the Texas Health and Human Services Commission (HHSC) reported that they accepted CMS' offer to continue DSRIP for one year and would submit a Waiver amendment to extend DSRIP in the amount of \$2.49 billion, which is the DSRIP funding amount for the demonstration year (DY) ending September 30, 2021; however, on April 26, 2022, HHSC announced that it formally decided not to request the extension; and

WHEREAS, Metro Health continued to earn incentive payments through January 2023 and has additional Waiver Program cash reserve funds to support these projects through July 2026; and

WHEREAS, Metro Health now seeks City Council authorization to utilize Waiver Program cash reserve funds, revise FY 2024 operational program budgets and personnel complements, and also requests the approval of FY 2025 operational and program budgets and personnel complements to support Metro Health's Medicaid 1115 Waiver Program funded projects; and

WHEREAS, occasionally, Metro Health requests City Council authorize agreements with agencies for the provision of services relating to the Department's programs and projects; and

WHEREAS, many times, these agreements do not include the exchange of funds between the City and these agencies; however, the execution of these agreements requires City Council action; and

WHEREAS, Metro Health requests authorization for the Director to execute agreements, to include Memoranda of Agreement (MOAs), Data Use Agreements (DUAs) and Business Associate Agreements (BAAs), with no exchange of funds that enhance programs or services associated with these Medicaid 1115 Waiver funded projects; and

WHEREAS, on December 22, 2021, HHSC received federal approval of the Public Health Provider – Charity Care Program (PHP-CCP) Protocol from CMS; and

WHEREAS, PHP-CCP was designed to allow qualified providers to receive reimbursement for the cost of delivering healthcare services, including behavioral health services, immunizations, and other preventative services, when those costs are not reimbursed by another source; and

WHEREAS, the program is authorized under the 1115 Waiver Program; and

WHEREAS, beginning October 1, 2021, the PHP-CCP became operational and allowed certain providers, including local health departments and public health districts established under the Texas Health and Safety Code Chapter 121, to receive a supplemental payment for certain medical services; and

WHEREAS, payments from the pool are to defray the cost of uncompensated costs of providing medical services to Medicaid eligible or uninsured individuals; and

WHEREAS, year 1 of the program consisted of uncompensated care and Medicaid shortfall and in year 2, the program transferred to charity care only; **NOW THEREFORE:**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. The City Manager or designee, or the Director of the San Antonio Metropolitan Health District or designee, is authorized to continue the San Antonio Metropolitan Health District's participation in the Medicaid 1115 (a) Demonstration Waiver Program known as the "Texas Healthcare Transformation and Quality Improvement Program" (the Waiver Program) and accept funds reimbursed through year 2 of the Waiver Program's Public Health Provider Charity Care Program in an amount up to \$3,442,189.38 for the period covering October 1, 2022 through September 30, 2023.

SECTION 2. The City Manager or designee, or the Director of the San Antonio Metropolitan Health District or designee, is further authorized to initiate, negotiate, and execute any and all necessary documents and grant contracts to effectuate the acceptance of the referenced grants, and to execute contract amendments pertaining to these contracts, to include: a) carry-over funds, when ascertained and approved by the funding agency through a revised notice of award; b) line item budget revisions authorized by the funding agency; c) modifications to the performance measures authorized by the funding agency and listed in the contracts so long as the terms of the amendment stay within the general parameters of the intent of the grant; d) no cost extensions; e) amendments which will provide supplemental grant funds to a grant by the funding agency in an amount up to 20% of the total amount initially awarded to the grant; f) reimbursement increases of administrative funds for each participant served; g) amendments funding one time equipment purchases or defined program services; and h) changes in state regulations mandated by the funding agency.

SECTION 3. Revised budgets in a cumulative amount of \$8,672,225.00 for the period beginning October 1, 2023 through September 30, 2024, and proposed budgets in a cumulative amount of approximately \$9,585,224.00 for a period beginning October 1, 2024 through September 30, 2025 using Waiver Program cash reserve fund, personnel staffing complements and other related items as set out in **Attachment I** are hereby authorized. A formal final budget for each project which will include SAP Internal Order numbers and SAP GL Accounts will be submitted by the department upon award. The City Council of the City of San Antonio finds there is a public purpose served by the City's participation in the Medicaid 1115 (a) Demonstration Waiver Program and

authorizes incidental expenditures for program participants consistent with program parameters. The Director of the San Antonio Metropolitan Health District or designee is further authorized to change personnel complement classifications within the approved personnel complement number so long as there is no increase to the overall budget.

SECTION 4. Funds in the amount of \$3,442,189.38 for reimbursement shall be deposited in Fund 29658000, Internal Order 836000000xxx, and General Ledger Various. Funds are authorized to be appropriated per the attached program budgets.

SECTION 5. Funds generated by this ordinance in the amount of \$9,585,224.00 will be deposited into Fund 29658000, Internal Order 836000000xxx, and General Ledger Various. Funds are authorized to be appropriated per the attached program budgets.

SECTION 6. Funds generated by this ordinance in the amount of \$8,672,225.00 will be deposited into Fund 29658000, Internal Order 836000000xxx, and General Ledger Various. Funds are authorized to be appropriated per the attached program budgets.

SECTION 7. The City Manager or designee or the Director of the San Antonio Metropolitan Health District or designee is further authorized to execute Memoranda of Agreement, to include Data Use Agreements and Business Associate Agreements, that enhance program services with no exchange of funds associated with these grant-funded projects.

SECTION 8. The financial allocations in this Ordinance are subject to approval by the Deputy Chief Financial Officer, City of San Antonio. The Deputy Chief Financial Officer may, subject to concurrence by the City Manager or the City Manager’s designee, correct allocations to specific Cost Centers, WBS Elements, Internal Orders, General Ledger Accounts, and Fund Numbers as necessary to carry out the purpose of this Ordinance.

SECTION 9. This Ordinance is effective immediately upon the receipt of eight affirmative votes; otherwise, it is effective ten days after passage.

PASSED AND APPROVED this _____ day of February 2024.

M A Y O R

Ron Nirenberg

ATTEST:

APPROVED AS TO FORM:

MH
02/15/24
Item No. 24-197838

Debbie Racca-Sittre, City Clerk

Andrew Segovia, City Attorney