



City of San Antonio

Agenda Memorandum

File Number:

Agenda Item Number: 26

Agenda Date: September 15, 2022

In Control: City Council A Session

DEPARTMENT: Fire Department

DEPARTMENT HEAD: Charles Hood, Fire Chief

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Professional Service Agreement for an SAFD Ambulance Supplemental Reimbursement Consultant

SUMMARY:

This ordinance authorizes the execution of a professional services agreement with Digitech Computer, LLC to create and implement a Medicaid Supplemental Payment Program for the San Antonio Fire Department. The Medicaid Ambulance Supplemental Program, if continued to be approved by the State, will allow the City to be reimbursed for costs associated with qualifying EMS transports at an annual amount of \$8 to \$10 million.

This agreement will authorize Digitech to receive 4% of payments reimbursed through the program as a fee for their services. Funding for the payment is available through the FY 2023 General Fund Proposed Budget contingent upon approval of the City Council.

BACKGROUND INFORMATION:

Beginning in FY 2011, the City of San Antonio began reporting uncompensated care costs to the Health & Human Services Commission (HHSC) for reimbursement through the Ambulance Supplemental Payment Program (ASPP). To date the program has yielded reimbursements of

approximately \$65.7 million to the City of San Antonio. The Center for Medicare and Medicaid Services (CMS) modified the program restricting reimbursement to charity care only as of October 1, 2019. SAFD became eligible to submit for reimbursement with the council's approval of a charity care policy established in September 2021. The San Antonio Fire Department seeks to continue to participate in the current and future programs offered by state and federal entities.

A Request For Proposal (RFP) was conducted to select a vendor to consult with the Fire Department and act as a liaison to State and Federal entities to develop and maintain a program in order to receive enhanced funds from Medicaid, as allowed by Medicaid regulations, including Charity Care adjustments. Three respondents were reviewed through the RFP process and Digitech Computer, LLC was selected as the vendor.

ISSUE:

An annual contract with a Digitech Computer, LLC is necessary to enable the City to take advantage of this Federal program to receive reimbursement for Medicaid costs through the charity care, and future federal programs. Digitech Computer's services will consist of assistance ensuring SAFD's charity care policy meets CMS guidelines for revenue reimbursement, establishing and maintaining a program to track, qualify and submit eligible patients, and continually monitor frequently changing state and federal rules to ensure COSA compliance. Based on prior submissions to the program, the charity care opportunity for the City could yield approximately \$8 to \$10 million for the FY 2022 data year. Terms are for a 3 year contract with an option for two, 1 year renewals.

ALTERNATIVES:

This agreement will provide the City the opportunity to continue to receive reimbursement for EMS Transport related costs at an estimated amount of \$8 to \$10 million.

FISCAL IMPACT:

The Supplemental Payment Program is anticipated to result in the collection of approximately \$8 to \$10 million in revenue reimbursement annually. Of the revenue collected under this program, Digitech Computer, LLC would be entitled to receive 4% of any revenue reimbursed under this program. If Digitech Computer is not successful in reimbursement of the program for SAFD, there is no cost for Digitech Computer's services to the City. Funding for the payment is available through the FY 2023 General Fund Proposed Budget contingent upon approval of the City Council.

RECOMMENDATION:

Staff recommends authorizing the professional services contract with Digitech Computer, LLC.