



SAN RAFAEL CITY COUNCIL AGENDA REPORT

Department: Fire

Prepared by: Darin White, Fire Chief
Thomas Wong, Senior
Management Analyst

City Manager Approval: _____

TOPIC: AGREEMENT TO PARTICIPATE IN PUBLIC PROVIDER GROUND EMERGENCY MEDICAL TRANSPORTATION INTERGOVERNMENTAL TRANSFER PROGRAM (PP-GEMT)

SUBJECT: RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A CERTIFICATION FORM FOR THE SAN RAFAEL FIRE DEPARTMENT TO PARTICIPATE IN AN INTERGOVERNMENTAL TRANSFER (IGT) WITH THE CALIFORNIA DEPARTMENT OF HEALTH CARE SERVICES (DHCS) FOR REIMBURSEMENT OF PUBLIC PROVIDER GROUND EMERGENCY MEDICAL TRANSPORTATION (PP-GEMT) SERVICES FOR THE SERVICE PERIOD OF JANUARY 1, 2023, THROUGH DECEMBER 31, 2023, AND TRANSFERS TO DHCS NOT TO EXCEED \$910,000

RECOMMENDATION:

Adopt a resolution authorizing the City Manager to execute a certification form for the San Rafael Fire Department to participate in a Medi-Cal Intergovernmental Transfer (IGT) program with the California Department of Health Care Services (DHCS) for reimbursement of PP-GEMT services for the service period of January 1, 2023, through December 31, 2023, and make transfers not to exceed \$910,000.

BACKGROUND:

In accordance with California Assembly Bill 1705 (Chapter 544, Statutes of 2019), the Department of Health Care Services developed the Public Provider Ground Emergency Medical Transportation Intergovernmental Transfer Program (PP-GEMT) program to provide reimbursements, by application of an add-on increase, to emergency medical transports provided by eligible public GEMT providers. This program starts on January 1, 2023, and replaces the Ground Emergency Medical Transportation Program (GEMT), which ended on December 31, 2022. The City previously participated in the GEMT annually, since 2009.

Both the former GEMT and the newer PP-GEMT are programs to assist the City in recovering costs associated with the provision of Emergency Medical Services (EMS) to individuals who are covered by Medi-Cal. While PP-GEMT and the former GEMT share a name, the funding sources that support each program are not the same. GEMT relied on State revenue, while PP-GEMT relies on Federal revenues.

FOR CITY CLERK ONLY

Council Meeting:

Disposition:

This change in funding structure allows PP-GEMT to increase revenues, resulting in additional annual funding for the City.

ANALYSIS:

Participation in the PP-GEMT program is mandatory for public provider agencies and provides an important opportunity for the City to collect additional ambulance transport fees that would otherwise be unavailable. Mandatory participation requires the City to collect and receive these additional ambulance transport fees for each Medi-Cal transport the City provides.

While the PP-GEMT program is mandatory, cities, counties, and other public providers in the State may optionally transfer funds to the State to support the program. This optional transfer, also referred to as an Intergovernmental Transfer (IGT), allows the PP-GEMT program to secure Federal matching funds that are the basis for providing additional add-on revenues for each Medi-Cal patient transported. Without these matching funds from public providers, the State would not have adequate funds to receive the Federal match. If the State does not receive adequate matching funds, the program would cease to exist. While the IGT is optional, staff recommends the City provide the IGT to ensure ongoing revenues associated with PP-GEMT continue.

DHCS has been working with the San Rafael Fire Department on estimating the benefits of the new PP-GEMT since the fall of 2022. This estimating process has been challenging as DHCS cannot legally mandate that government agencies participate in the IGT portion of the program. Since the IGT is optional, the revenue that DHCS collects from providers to use as a federal match is solely dependent on the number of agencies that choose to make the transfer. If there is a lack of participants, agencies that do participate may be required to pay a higher rate, and the program may not have enough funding to continue, jeopardizing this critical source of EMS funding.

Due to the uncertainty of the number of agencies opting to make optional IGTs, the California Fire Chiefs Association (CFCA) has taken an active role in ensuring that all eligible agencies participate in the IGT. Thus far, the outreach done at the State level has dramatically increased the number of participants that have committed to providing the optional IGT. This increase in participation has decreased the amount the City is currently estimated to owe versus earlier estimates. Currently, only a handful of smaller agencies have yet to commit to providing their annual IGT, according to information from CFCA. The broad support of public providers committing to making these transfers is in recognition of the importance of the additional net benefit the program provides to agencies.

FISCAL IMPACT:

Yearly costs and benefits from the program to the City are dependent on the number of Medi-Cal transports the City provides in a calendar year. Using last year's Medi-Cal transport data, it is estimated that the City's 2023 IGT to the State will be \$828,536. The City estimates that the revenues from the PP-GEMT program will total \$1,539,822 in increased Medi-Cal payments for each Medi-Cal transport that the City provides. This includes additional new revenues of \$711,285. The proposed funds to be transferred to the State will be allocated from the Department's Paramedic Tax Service Fund (210).

Time Period	Funding Source	Estimated Transfer Amount to DHCS	Estimated Additional New Funds	Estimated Funds Returned to City
2023 Calendar Year	Fund 210	\$828,536	\$711,285	\$1,539,822

The PP-GEMT Certification Form lists an initial transfer of \$200,433, which is the first of three transfers this calendar year totaling an estimated \$828,536. Staff recommends the Council authorize total

transfers not to exceed \$910,000 which would account for a 10% contingency in the event that fewer agencies participate or the Fire Department transports additional Medi-Cal patients, both of which could lead to higher transfers than expected.

OPTIONS:

1. Adopt the resolution as presented.
2. Direct staff to return with more information.
3. Take no action.

RECOMMENDED ACTION:

Adopt a resolution authorizing the City Manager to execute a certification form for the San Rafael Fire Department to participate in a Medi-Cal Intergovernmental Transfer program with the California Department of Health Care Services (DHCS) for reimbursement of PP-GEMT services for the service period of January 1, 2023, through December 31, 2023, and make transfers not to exceed \$910,000.

ATTACHMENTS:

1. Resolution
2. PP-GEMT Certification Form

RESOLUTION NO.

RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A CERTIFICATION FORM FOR THE SAN RAFAEL FIRE DEPARTMENT TO PARTICIPATE IN AN INTERGOVERNMENTAL TRANSFER (IGT) WITH THE CALIFORNIA DEPARTMENT OF HEALTH CARE SERVICES (DHCS) FOR REIMBURSEMENT OF PUBLIC PROVIDER GROUND EMERGENCY MEDICAL TRANSPORTATION (PP-GEMT) SERVICES FOR THE SERVICE PERIOD OF JANUARY 1, 2023, THROUGH DECEMBER 31, 2023, AND TRANSFERS TO DHCS NOT TO EXCEED \$910,000

WHEREAS, the City of San Rafael, through its Fire Department, regularly provides emergency ambulance transport to persons who are Medi-Cal patients enrolled in managed care and fee-for-service plans; and

WHEREAS, the City participates in various governmental programs that provide reimbursement of costs incurred in providing such emergency services to Medi-Cal patients; and

WHEREAS, pursuant to California Assembly Bill 1705 (Chapter 544, Statutes of 2019), the Department of Health Care Services (DHCS) developed the Public Provider Ground Emergency Medical Transportation (PP-GEMT) Intergovernmental Transfer Program to provide reimbursements, by application of an add-on increase, to emergency medical transports provided by eligible PP-GEMT providers; and

WHEREAS, by participating in the Intergovernmental Transfer Program, the City will receive reimbursements for a larger proportion of its actual costs for providing emergency ambulance transport to Medi-Cal patients enrolled in managed care and fee-for-service plans; and

WHEREAS, under the Intergovernmental Transfer Program certification form, the funds shall be transferred in accordance with a mutually agreed-upon schedule between the City of San Rafael and DHCS.

NOW, THEREFORE, BE IT RESOLVED, by the San Rafael City Council as follows:

1. The San Rafael Fire Department is hereby authorized to participate in a voluntary Intergovernmental Transfer (IGT) with the California Department of Health Care Services (DHCS) for the service period of January 1, 2023 through December 31, 2023.
2. The City Manager is hereby authorized to execute the Intergovernmental Transfer Certification Form, for the transfer of public funds to the DHCS, included in the staff report for this resolution.
3. The City Council hereby authorizes the transfer of funds to DHCS, in an amount not to exceed \$910,000, approved by the City Manager and in accordance with a mutually agreed upon schedule, to be used solely as a portion of the non-federal share of funds that qualify for federal financial participation for the period of January 1, 2023 through December 31, 2023.

DEPARTMENT OF HEALTH CARE SERVICES
PUBLIC PROVIDER INTERGOVERNMENTAL TRANSFER PROGRAM FOR
GROUND EMERGENCY MEDICAL TRANSPORTATION SERVICES
CERTIFICATION FORM FOR STATE CALENDAR YEAR 2023

I, the undersigned, hereby declare and certify on behalf of (the "Public Entity") as follows:

1. As a public administrator, a public officer, or other public individual, I am duly authorized to make this certification.
2. The Public Entity elects to make this intergovernmental transfer (IGT) to the Department of Health Care Service (DHCS) as a voluntary contribution to the non-federal share of Medi-Cal expenditures for purposes of Assembly Bill 1705 (2019) pursuant to Sections 14105.94, 14105.945, 14129, 14129.3, and 14164 of the Welfare and Institutions (W&I) Code. All funds transferred pursuant to this certification qualify for federal financial participation (FFP) pursuant to Section 1903(w) of the Social Security Act and Title 42 of the Code of Federal Regulations, Section 433 Subpart B, and are not derived from impermissible sources such as recycled Medicaid payments, federal money excluded from use as the non-federal share, impermissible health care-related taxes, or non-bona fide provider-related donations.
3. Voluntary contributions attributable to the period of January 1, 2023, through December 31, 2023, will be made via recurring transfers as indicated on the invoices provided to the Public Entity by DHCS. The Public Entity acknowledges that any transfers made pursuant to this certification during this time period are considered an elective IGT made pursuant to W&I Code sections 14105.945 and 14164, to be used by DHCS, subject to paragraph four herein, exclusively as the source for the non-federal share of ground emergency medical transport public provider supplemental payments in both Medi-Cal fee-for-service payments and the portion of the risk-based capitation rate to Medi-Cal managed care health plans associated with reimbursement made in accordance with Section 14105.945, subdivision (h)(1) (hereafter, the AB 1705 Public Provider (PP) Ground Emergency Medical Transportation (GEMT) Intergovernmental Transfer (IGT) Program, or the PP-GEMT IGT Program), and DHCS costs associated with administering the PP-GEMT IGT Program.
4. DHCS may accept this voluntary contribution to the extent it is able to obtain FFP for the PP-GEMT IGT Program as permitted by federal law. In the event DHCS is unable to obtain FFP for the PP-GEMT IGT Program, or the full payments cannot otherwise be made to and retained by eligible public providers, and, therefore, all or a portion of the transferred amount cannot be used as the non-federal share of payments, DHCS will notify the Public Entity via e-mail and return the applicable portion of the unused IGT amount, no later than 90 days after such notification.
5. The Public Entity acknowledges that, in accordance with W&I Code section 14105.945, subdivision (h)(2), upon CMS approval, DHCS shall assess a ten percent (10%) fee on each transfer of public funds to the state to pay for health care

DEPARTMENT OF HEALTH CARE SERVICES
PUBLIC PROVIDER INTERGOVERNMENTAL TRANSFER PROGRAM FOR
GROUND EMERGENCY MEDICAL TRANSPORTATION SERVICES
CERTIFICATION FORM FOR STATE CALENDAR YEAR 2023

coverage and to reimburse DHCS its costs associated with administering the PP-GEMT IGT Program.

6. The Public Entity acknowledges that the IGT is to be used by DHCS for the filing of a claim with the federal government for federal funds and understands that any misrepresentation regarding the IGT may violate federal and state law.
7. The Public Entity acknowledges that all records of funds transferred are subject to review and audit upon DHCS' request. The Public Entity will maintain documentation supporting the allowable funding source of the IGTs.
8. Upon notice from the federal government of a disallowance or deferral related to this IGT, the Public Entity responsible for this IGT shall be the entity responsible for the federal portion of that expenditure.

I hereby declare under penalty of perjury under the law of the United States that the foregoing is true and correct to the best of my knowledge. I further understand that the known filing of a false or fraudulent claim, or making false statements in support of a claim, may violate the Federal False Claims Act or other applicable statute and federal law and may be punishable thereunder.

Executed on this _____ day of _____, 20XX at _____, California.

Signature of Authorized Person: _____

Name of Authorized Person: _____

Title of Authorized Person: _____

Name of Public Entity: _____

NPI of Public Entity: _____

Amount of IGT: \$200,433.00

#