

**INTERGOVERNMENTAL AGREEMENT
BETWEEN
THE DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES
AND
Aurora Fire Department
2020-2021**

The Illinois Department of Healthcare and Family Services (HFS or the Department) and Aurora Fire Department (**AFD**), pursuant to the Intergovernmental Cooperation Act, 5 ILCS 220/1 *et seq.*, hereby enter into this Intergovernmental Agreement (Agreement) in connection with enhance rates for ambulance services. HFS and **Aurora Fire Department (AFD)** are collectively referred to herein as “Parties” or individually as a “Party.”

**ARTICLE I
INTRODUCTION**

1.01 Background. Article XII of the Illinois Public Aid Code authorizes the Illinois Department of Healthcare and Family Services to make use of, aid and co-operate with State and local governmental agencies and the Intergovernmental Cooperation Act, 5 ILCS 220/1 *et seq.* provides for cooperation between units of government. Provider operates a Fire Department (Provider) that is enrolled in the Medical Assistance Program that provides covered ambulance services to individuals eligible for benefits under the Medical Programs; the costs of providing the services described above is not covered by the fee schedule pursuant to which the Department and Managed Care Organizations (MCOs) pay for such services.

1.02 Purpose. In order to provide greater cost coverage to Provider through enhanced rates for services, the Parties enter into this Intergovernmental Agreement.

1.03 Definitions

- (a) Covered Ambulance Services means all ambulance services reimbursable under the Illinois Medicaid state plan and provided to beneficiaries of Medical Programs.
- (b) Effective Federal Match Rate means the weighted average of the Federal Medical Assistance Percentage (FMAP) for Illinois non-Affordable Care Act (ACA) enrollees and the enhanced FMAP for ACA expansion population based on the percentage of specified covered services to the different populations.
- (c) Fee-for-service or FFS means the services under Medical Programs reimbursed to providers directly by the Department and not through an MCO.
- (d) Managed Care Program means services under the Medical Programs for which the Department pays a capitated payment to MCOs to cover the cost of covered medical services.
- (e) Managed Care Organization (MCO) means an entity under contract with the Department receiving capitated payments and at risk for providing reimbursement for enrollees.
- (f) Medical Programs means programs administered by the Department under the Illinois Public Aid Code (305 ILCS 5/5 *et seq.*), the Children’s Health Insurance Program Act (215 ILCS 106/1 *et seq.*) and the Covering All Kids Health Insurance Act (215 ILCS 170/1 *et seq.*).

INTERGOVERNMENTAL AGREEMENT

Page 2 of 5

- (g) Participating Municipal Ambulance Provider means an ambulance provider owned by a municipal corporation that has executed an Intergovernmental Agreement with the Department with terms substantially identical to this Agreement.
- (h) Specified Covered Ambulance Services means emergency and non-emergency Basic Life Support and Advanced Life Support trips and does not include mileage or oxygen.

**ARTICLE II
INTERGOVERNMENTAL TRANSFER**

- 2.01 Provider will transfer on a periodic basis to the Department an amount equal to 50% of the total enhanced rates paid to Provider by the Department and all MCOs for the period.
- 2.02 For FFS payments, the Department will send a monthly invoice to Provider for the higher FFS payments described in Article III.
- 2.03 For MCO payments, the transfer of 50% of the supplemental payment described in Article III shall be made within 14 days after the receipt of enhanced payments from the MCO.

**ARTICLE III
ENHANCED RATES FOR SERVICES**

- 3.01 Expenditures. The Department shall pay or cause MCOs to pay enhanced rates to Provider for specified covered ambulance services pursuant to this Article III in addition to payments made at the Department's published fee schedule.
- 3.02 The enhanced rate will be determined as follows:
 - a. The Department will establish classes of similar Participating Municipal Ambulance Providers.
 - b. For each provider in the class, the Department will calculate an amount as follows using data from each provider's most recent cost report:
 - i. Provider's total costs for covered ambulance services will be calculated based on submittal of the Department's approved cost report.
 - ii. Total fee schedule payments received for covered ambulance services by Provider will be subtracted from costs to determine the cost coverage gap.
 - iii. The cost coverage gap will be divided by the number of Specified Covered Ambulance Services to determine a per service add-on payment
- 3.03 For FFS claims, the Department will add the calculated add-on amount to Provider's rate on the FFS fee schedule and the enhanced rate will be paid with the original claim.
- 3.04 On a quarterly basis, using encounter data of paid claims from each MCO in the Managed Care Program received by the Department during the quarter, the Department will identify the number of Specified Covered Ambulance Services provided to each MCO's enrollees by Provider multiplied by the uniform add-on fee and cause each MCO to pay provider the amount so calculated.
- 3.05 If mutually agreed upon by the Department and all Participating Municipal Ambulance Providers, the payment of enhanced rates may be moved from a quarterly basis to a monthly basis.

INTERGOVERNMENTAL AGREEMENT

Page 3 of 5

**ARTICLE IV
TERM**

4.01 Term. This Agreement shall commence October 1, 2019, or as soon as federal approval is received for the Directed Payments required by this Agreement and shall continue until otherwise terminated by the Parties.

**ARTICLE V
TERMINATION**

5.01 Termination on Notice. This Agreement may be terminated by either Party for any or no reason upon thirty (30) days' prior written notice to the other Party.

5.02 Termination for Cause. In the event either Party breaches this Agreement and fails to cure such breach within ten (10) days' written notice thereof from the non-breaching Party, the non-breaching Party may terminate this Agreement upon written notice to the breaching Party.

5.03 Availability of Appropriation; Sufficiency of Funds. This Agreement is contingent upon and subject to the availability of sufficient funds. The Department may terminate or suspend this Agreement, in whole or in part, without advance notice and without penalty or further payment being required, if (i) sufficient funds for this Agreement have not been appropriated or otherwise made available to the Department by the State or the Federal funding source, (ii) the Governor or the Department reserves funds, or (iii) the Governor or the Department determines that funds will not or may not be available for payment. The Department shall provide notice, in writing, to Provider of any such funding failure and its election to terminate or suspend this Agreement as soon as practicable. Any suspension or termination pursuant to this Section will be effective upon the date of the written notice unless otherwise indicated.

**ARTICLE VI
MISCELLANEOUS**

6.01 Renewal. This Agreement may be renewed for additional periods by mutual consent of the Parties, expressed in writing and signed by the Parties.

6.02 Amendments. This Agreement may be modified or amended at any time during its term by mutual consent of the Parties, expressed in writing and signed by the Parties.

6.03 Applicable Law and Severability. This Agreement shall be governed in all respects by the laws of the State of Illinois. If any provision of this Agreement shall be held or deemed to be or shall in fact be inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all cases because it conflicts with any other provision or provisions hereof or any constitution, statute, ordinance, rule of law or public policy, or for any reason, such circumstance shall not have the effect of rendering any other provision or provisions contained herein invalid, inoperative or unenforceable to any extent whatsoever. The invalidity of any one or more phrases, sentences, clauses, or sections contained in this Agreement shall not affect the remaining portions of this Agreement or any part thereof. In the event that this Agreement is determined to be invalid by a court of competent jurisdiction, it shall be terminated immediately.

INTERGOVERNMENTAL AGREEMENT

6.04 Records Retention. The Parties shall maintain for a minimum of six (6) years from the later of the date of final payment under this Agreement, or the expiration of this Agreement, adequate books, records and supporting documents to comply with the Illinois State Records Act. If an audit, litigation or other action involving the records is begun before the end of the six-year period, the records shall be retained until all issues arising out of the action are resolved.

6.05 No Personal Liability. No member, official, director, employee or agent of either Party shall be individually or personally liable in connection with this Agreement.

6.06 Assignment; Binding Effect. This Agreement, or any portion thereof, shall not be assigned by any of the Parties without the prior written consent of the other Parties. This Agreement shall inure to the benefit of and shall be binding upon the Parties and their respective successors and permitted assigns.

6.07 Precedence. In the event there is a conflict between this Agreement and any of the exhibits hereto, this Agreement shall control. In the event there is a conflict between this Agreement and relevant statute(s) or Administrative Rule(s), the relevant statute(s) or rule(s) shall control.

6.08 Entire Agreement. This Agreement constitutes the entire agreement between the Parties; no promises, terms, or conditions not recited, incorporated or referenced herein, including prior agreements or oral discussions, shall be binding upon either Party.

6.09 Notices. All written notices, requests and communications may be made by electronic mail to the e-mail addresses set forth below.

To HFS: Mary.Doran@illinois.gov
Kiran.Mehta@illinois.gov

To Aurora Fire Department (AFD):

6.10 Headings. Section and other headings contained in this Agreement are for reference purposes only and are not intended to describe, interpret, define or limit the scope, extent or intent of this Agreement or any provision hereof.

6.11 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be considered to be one and the same agreement, binding on all Parties hereto, notwithstanding that all Parties are not signatories to the same counterpart. Duplicated signatures, signatures transmitted via facsimile, or signatures contained in a Portable Document Format (PDF) document shall be deemed original for all purposes.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their duly authorized representatives.

INTERGOVERNMENTAL AGREEMENT

Page 5 of 5

AURORA FIRE DEPARTMENT

**ILLINOIS DEPARTMENT OF HEALTHCARE AND
FAMILY SERVICES**

Richard E. Irvin
Mayor City of Aurora, IL

Theresa Eagleson
Director

Date: _____

Date: _____