

INTERLOCAL AGREEMENT

COOPERATIVE AMBULANCE SERVICES

THIS AGREEMENT is made to be effective as of the July day of ~~June~~, 2014, between the City of Anacortes, Washington ("the City"), a municipal corporation, and Skagit County Public Hospital District No. 2, ("the District"), d/b/a Island Hospital, a municipal corporation.

RECITALS

- A. The City has the power under RCW 35.23.456 and the City of Anacortes Municipal Code Chapter 13.54 to authorize the operation of municipally-owned ambulances, which may serve the City and surrounding areas for emergencies. The City has authorized the Anacortes Fire Department to provide emergency Advanced Life Support and Basic Life Support ambulance services to residents of the City, and surrounding areas, and Anacortes Fire Department has been doing so since 1987.
- B. The City has agreed to provide Advanced Life Support Ambulance Services within certain areas established by the Skagit County EMS Commission, pursuant to an Agreement for EMS Ambulance Services with the Skagit County EMS Commission ("Skagit County EMS Commission Interlocal").
- C. Both the City of Anacortes Municipal Code Chapter 13.54 and the Skagit County EMS Commission Interlocal permit the City, through the City Fire Department, to provide Non-Emergency IFT Ambulance Services.
- D. The District has the authority under RCW 70.44.060 to provide ambulance services within its boundaries and has been doing so since 1980. The District is also permitted to provide Non-Emergency IFT Ambulance Services, as that term is defined below, within the City's corporate limits pursuant to the City of Anacortes Municipal Code Chapter 13.54.
- E. Both the City and the District have a need for back-up ambulances and staff to fulfill their respective obligations to provide ambulance services.
- F. In addition, a cooperatively managed ambulance service is necessary to promote and protect the public health, safety and general welfare of the area encompassed within the District and the City, and contracted services areas, and will permit the most efficient and effective use of mutual resources.
- G. The City and the District may enter into an agreement for joint or cooperative action to serve and benefit their constituents through the Washington State Interlocal Cooperation Act as promulgated in RCW 39.34. The City and the District have been parties to a similar interlocal agreement since 1987, most recently effective March 27, 2012.

NOW, THEREFORE, in consideration of the foregoing and the mutual promises contained herein, the mutual benefits derived, and the public interest served, the parties agree as follows:

I. Definitions.

1. *Ambulance Service.* Delivery of care by medically trained personnel at either a BLS or ALS level of service with the capability to transport the patient to or from a medical facility.
2. *ALS - Advanced Life Support.* Paramedic level service initiating care and treatment involving intravenous fluids, cardiac drugs, advanced airway techniques, and cardiac monitoring within the scope of practice dictated by Skagit County ALS Protocols.
3. *BLS - Basic Life Support.* Personnel certified at least at the EMT B level by the State of Washington to provide basic initial evaluation, care, and stabilization until the patient is transferred to a higher standard of care.
4. *Emergency STAT Transfer.* Unscheduled inter-facility transport of a patient to render immediate advanced life support medical aid and support to a patient during a transfer from one facility to another facility with a greater capability to provide care.
5. *Emergency Response.* Response to a 911 request for a pre-hospital service to provide immediate medical aid to a patient when time and level of supervision may be critical factors in well-being of patient.
6. *Non-Emergency Inter-Facility Transport ("IFT") Ambulance Service.* Non-emergency scheduled ambulance transfers of a patient to or from a hospital or health care facility, (including physician offices), either requiring BLS or ALS level of care.

II. Administration. Provision of the services described in this Agreement shall be coordinated through the Fire Chief for the City of Anacortes and the Medical Coordinator for the District.

III. Responsibilities of the City.

1. *Ambulance Services.* Upon request by the District and within the capabilities of the Anacortes Fire Department, the City will provide Emergency STAT Transfers to the District. Unless otherwise provided in Section IV.1 below, the City will be solely responsible for billing payers and/or patients for the Emergency STAT Transfers provided by the City.
2. *Back-up Ambulance.* If a District's ambulance is unavailable due to its need for repairs and service and the District would otherwise be unable to provide needed Non-Emergency IFT Ambulance Service, the City agrees to permit the District to use one of the City's ambulances for Non-Emergency IFT Ambulance Services, but only to the extent doing so does not unreasonably burden the City's ability to fulfill its own obligations to provide Ambulance Services.
3. *Recruitment.* The City agrees to permit the District's recruitment and utilization of off-duty Anacortes Fire Department paramedics as contract paramedics for the District so

long as such utilization does not interfere with the paramedics' duties to the Anacortes Fire Department.

IV. Responsibilities of the District.

1. *"Under Arrangements" Ambulance Services.* If the City provides Emergency STAT Transfers or a Non-Emergency Inter-Facility Transport to a District inpatient at the request of the District and the District's contract with the third party payer or applicable government program rules or policies require the transport to be included in the District's hospital bill:
 - 1.1. The District will be responsible for compensating the City for the transport service in the amount specified in Exhibit A. Payment by the District of the amount specified in Exhibit A discharges the liability of the patient or any other person to pay for the ambulance services provided by the City. As such, the City may look only to the District for payment of such service.
 - 1.2. The District will notify the City at the time of transport or as soon thereafter as is reasonably possible, that the transport is being provided "under arrangements" and should be billed to the District.
 - 1.3. Such transport services shall be considered provided "under arrangements" by the District. The District shall exercise requisite supervision over such services as may be required by federal law and guidance issued by the Centers for Medicare and Medicaid Services ("CMS") but shall otherwise not direct the City in the performance of such services.
 - 1.4. The District shall be solely responsible for submission of claims and compliance with all applicable billing rules for such "under arrangements" services.
2. *Back-up Ambulance.* If a City Fire Department ambulance is unavailable due to its need for repairs or services and the Fire Department would otherwise be unable to provide Emergency Response and Emergency STAT Transfer services pursuant to the Skagit County EMS Commission Interlocal, the District agrees to permit the City to use one of the District's ambulances for such services, but only to the extent doing so does not unreasonably burden the District's ability to provide Non-Emergency IFT Ambulance Services.
3. *Ambulance Replenishment Supplies and Linen Services.*
 - 3.1. As permitted by law, the District agrees to make available to the City for purchase the medical supplies necessary to replenish an ambulance, including, without limitation, medications, oxygen, first aid supplies, disposable materials, linens (and associated laundering services).
 - 3.2. Except as otherwise provided in Section IV.1, the District and the City agree that, to the extent permissible under applicable payment contracts and coverage rules and regulations, the City may bill payers, including the government, for use of

supplies and services it purchases from the District as permitted by payer rules and policies. Under no circumstances will the District seek reimbursement from any patient or government payer for the ambulance replenishment medical supplies and linens it sells to the City.

- 3.3. The City shall maintain records of the ambulance replenishment medical supplies purchased by the City and the patient transport to which the replenished medical supplies relate. The City will retain these records for at least five (5) years and, upon the District's request, the City shall provide a copy of such records to the District within a reasonable timeframe.
- 3.4. The City shall pay the District an amount based on the District's costs that reflects fair market value and as calculated in accordance with EXHIBIT A for the ambulance replenishment medical supplies and linen services it purchases from the District. At the beginning of each year, the District will provide the City with a cost sheet for materials and supplies customarily used by the City so that the City may determine whether it can obtain the material or supply from another vendor more cheaply. The District and the City may adjust the compensation for ambulance replenishment medical supplies, based on the District's costs, on an annual basis through an agreed amendment to Exhibit A.
- 3.5. The District will invoice the City monthly for the ambulance replenishment medical supplies and linen services it purchases. The City agrees to pay the District accordingly within 45 days of the invoice's submission.

V. Modification, Termination, Effective Date, Duration, and Assets.

1. *Amendment or Modification.* No amendment or modification of this Agreement, including any additions or deletions, shall be effective unless approved and executed by the parties in the same form and manner as, and subject to the remaining provisions of, this Agreement.
2. *Renewal.* This Agreement shall automatically renew for additional one-year terms unless either party provides the other with written notice of its intent to modify the Agreement, including the suggested changes.
3. *Termination without Cause.* Either party may terminate this Agreement without cause at any time on ninety (90) days written notice to the other party.
4. *Disposition of Assets.* Should this Agreement be terminated or not renewed, ownership of all assets owned by the City shall remain with the City. All assets owned by the District shall remain with the District.

VI. Miscellaneous Terms

1. *Compliance with Applicable Laws.* The District and the City are aware of federal and state laws prohibiting practices which involve kickbacks, rebates, payment of unreasonable compensation, and payment for referrals. The parties acknowledge that they

have not entered into this Agreement with any intent to violate such laws. Further, the parties do not believe this Agreement violates any such laws. Should any regulatory or judicial authority with jurisdiction establish that any provision of this Agreement violates any law, only that provision shall be unenforceable and void and the validity and enforceability of the remaining portion, or portions thereof, shall not be affected thereby. Nothing in this Agreement requires either the District or the City to make referrals to the other and nothing in this Agreement is intended to provide compensation or remuneration in any form to either the District or the City as an inducement for making of referrals of patients.

2. *Fair Market Value of Back-Up Ambulance Services.* The City and the District anticipate that the occasional use of the other's ambulance shall be equivalent in terms of duration and frequency and that this exchange of value is an exchange of equivalent fair market value to both parties. If the City or the District's need for a back-up ambulance becomes regular or of significant duration, the City and the District agree to negotiate in good faith an agreement as to the payment of an amount which reflects the fair market value for continued provision of a back-up ambulance.

3. *Notice.* All notices and payments relating to this Agreement shall be made at the following addresses, unless the other party is otherwise previously notified in writing:

If to the District: Att. District Superintendent and CEO
Skagit County Public Hospital District No. 2,
Island Hospital
1211 24th Street
Anacortes, WA 98221

If to the City: Att. Mayor City of Anacortes
City of Anacortes
P.O. Box 547
Anacortes, WA 98221

4. *Non-Assignability.* This Agreement shall inure to the benefit of and be binding upon the successors and assigns of the parties, and is not intended to confer rights or benefits upon any third parties. Neither party may assign or transfer this Agreement without the prior written consent of the other party. Any attempt to assign or transfer any of the rights, duties or obligations of this Agreement without such consent is void.

5. *Duty Created.* Nothing herein contained shall create any duty on the part of the City or District to any particular person or individual but only to each other and the public at large.

6. *Severability.* If any term or condition of this Agreement or application thereof to any person or circumstances is held invalid, such invalidity shall not effect other terms, conditions or applications of this Agreement that can be given effect without the valid term, condition or application

7. *Integration.* This Agreement supersedes and replaces all prior agreements of the parties concerning its subject matter, including without limitation the Amended and Restated Interlocal Agreement Providing Ambulance Service dated March 27, 2012. This Agreement is a complete and exclusive settlement of the agreement between the parties and supersedes all proposals or prior agreements, or written, and all other communications between the parties relating to the subject matter of this Agreement.

EXECUTED at Anacortes, Washington to be effective as of the day and year first written above.

SKAGIT COUNTY PUBLIC HOSPITAL
DISTRICT NO. 2, D/B/A ISLAND HOSPITAL



Vincent C. Oliver
Superintendent and Chief Executive Officer

Date: 7-16-14

CITY OF ANACORTES, WASHINGTON



Laurie Gere
Mayor

Date: 7-14-14

ATTEST:



Steve Hoglund
City Clerk Treasurer

Date: 7-14-14

**Exhibit A to
Interlocal Agreement for Cooperative Ambulance Services**

When required by Section IV.1 of the Agreement, the District will reimburse the City for Emergency STAT Transfer Services as follows:

100% of CMS' Medicare Part B Ambulance Fee Schedule amount that would apply in the geographic area if the service could be billed to Medicare Part B, including any additional fee for mileage that would be allowed.

The City will reimburse the District for all ambulance replenishing supplies and linen services as follows:

Supplies:

District's Cost of Supplies and Materials provided to the Anacortes Fire Department plus a Materials Management Fee.

The Materials Management Fee will be equal to a percentage of the cost of the Hospital's Materials Management Department. The percentage will be calculated by taking the total costs of supplies and materials provided to the Fire Department and dividing it by the District's total Supply Costs for the Hospital.

Laundry and Linen:

The cost of linen and laundry used by the City shall be \$3.02 for each set of laundry used by the City.