

**HOSPITAL DISTRICT NUMBER ONE OF MOHAVE COUNTY
KINGMAN REGIONAL MEDICAL CENTER
3269 Stockton Hill Road Kingman, Arizona 86409
August 29, 2024**

The Board of Hospital District Number One of Mohave County will meet in Special Session on Thursday August 29, 2024 at 4:00 p.m. The meeting will be held at the Kingman Regional Medical Center in the H. I. Johnson Board Room, 3269 Stockton Hill Road, Kingman, Arizona. The Board may vote to go into Executive Session pursuant to A.R.S. § 38- 431.03(A)(3) for legal advice on matters as set forth in the agenda and A.R.S. § 38- 431.03(A)(4). Board Members or other participants may attend by telephonic conference. The following topics and any variables thereto will be subject to Board consideration, discussion, approval, or other action. All items are set for possible action.

I. CALL TO ORDER – Chair Holden

II. ROLL CALL OF THE HOSPITAL DISTRICT BOARD MEMBERS

III. FINANCIAL MATTERS AND REPORT – Josh Hoffman, KRMC CFO

- A. Discussion and Possible Action to Approve** an additional Intergovernmental Agreement between Arizona Health Care Cost Containment System Administration and Kingman Regional Medical Center on behalf of Hospital District One of Mohave County for the support of the Access to Professional Services Initiative. This additional partnership would assist with improving healthcare and population health by ensuring Residents are provided post graduate training in safe, high-quality environments that supports patient safety, education and physician well-being. The additional KRMC/District Board Graduate Medical Education (GME) partnership requires the District Board to provide funds in the amount of \$2,269,250.00. The first payment is due on or before November 1, 2024 in the amount of \$453,850.00 plus \$90,760.00; the latter is an administrative fee. Subsequent payments in respective equal amounts of \$453,850.00 are due February, May, August of 2025 and August 2026. **Pages 1-22**

Therefore, the District Board's recommended action is requested as follows:

1. Agreement of a partnership between KRMC and the District Board for this additional GME Program.
2. Agreement of the overall funding amount of \$2,269,250.00 and payments as stipulated

- a. an initial payment of \$453,850.00 plus an administrative fee of \$90,760.00 for a total of \$544,610.00 due on or before November 2024
 - b. four subsequent equal payments of \$453,850.00 due February, May, August 2025 and August 2026.
3. Agreement to send the additional GME contract to the Board's attorney for review.

IV. CALL TO THE PUBLIC

Consideration and discussion of comments from the public. Those wishing to address the District Board need not request permission in advance. The District Board is not permitted to discuss or take action on any item raised in the call to the public. However, individual Board members may be permitted to respond to criticism directed to them. Otherwise, the Board may direct that staff review the matter or that the matter be placed on a future agenda. The District Board cannot discuss or take legal action on any issue raised during the Call to the Public due to restrictions of the Open Meeting Law.

Individuals wishing to speak during Call to the Public will have 3 minutes to address the District Board. Prior to speaking, please state your name, city and state.

V. ADJOURNMENT

Notice: Persons with a disability may request a reasonable accommodation by contacting the Hospital District at 928.757.0602.

CERTIFICATION OF POSTING OF NOTICE

The undersigned hereby certifies that a copy of the attached notice will be duly sent to the Mohave County Board of Supervisors on August 27, 2024, for posting on their public information board. Also, notice will be posted at 3269 Stockton Hill Road (Main Entrance to KRMC) in Kingman, Arizona on August 27, 2024, and on the District's Website: azkrmc.com/about-krmc/hospital-district-number-one-mohave-county in accordance with the statement filed by the Hospital District Number One of Mohave County.

Submitted this date, August 27, 2024.

Penny Holden
Chairman

Catherine Furtado
Recording Secretary/Custodian of Records

INTERGOVERNMENTAL AGREEMENT

BETWEEN

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM ADMINISTRATION
("AHCCCS")

And

Kingman Regional Medical Center on behalf of
Hospital District One of Mohave County
("Public Entity")

For the Support of the

Access to Professional Services Initiative

WHEREAS, AHCCCS is authorized through contract to direct Medicaid managed care contractors' payments to providers in a manner consistent with 42 C.F.R. § 438.6 when those directed payments are expected to advance the goals and objectives of the quality strategies adopted by AHCCCS which include improving access to high-quality health care; and

WHEREAS, AHCCCS is authorized under A.R.S. § 36-2913(C)(5) to accept donations from any source, and is permitted to use funds transferred from other public entities in support of the AHCCCS program; and

WHEREAS, the Public Entity, is authorized to enter into this Agreement pursuant to A.R.S. § 15-1625 and 15-1626; and

WHEREAS, 42 C.F.R. Part 433, Subpart B restricts States' use of Federal funds, health care-related taxes, and provider-related donations as sources for the Non-Federal Share of Medicaid expenditures; and

WHEREAS, AHCCCS and the Public Entity are authorized by A.R.S. § 11-952 to enter into Intergovernmental Agreements to jointly exercise powers common to the parties or for cooperative action; and

WHEREAS, the Public Entity and AHCCCS wish to enter into this Agreement in order to permit the Public Entity to provide the Non-Federal Share of a portion of the payments made by AHCCCS to Medicaid managed care contractors in support of the Access to Professional Services Initiative;

NOW, THEREFORE, the Public Entity and AHCCCS (collectively, the "Parties"), pursuant to the above and in consideration of the matters hereinafter set forth, do mutually agree as follows:

1. **DEFINITIONS:** Unless otherwise defined in this Agreement, all terms have the same meaning as set forth in Chapters 29 and 34 of Title 36 of the Arizona Revised Statutes, 42 C.F.R. Parts 433 and 438, or Chapter 22 of Title 9 of the Arizona Administrative Code (A.A.C.) as appropriate.

1.1. *ACGME* means the Accreditation Council for Graduate Medical Education, an independent, not-for-profit, physician-led organization that sets and monitors the professional educational standards for graduate medical education programs.

1.2. *Affiliated with a Designated Hospital* means the Qualified Practitioner is:

- 1.2.1. Employed by an organization owned by a Designated Hospital,
- 1.2.2. Employed by an organization that is owned by an organization that also owns the Designated Hospital so long as the Qualifying Practitioner is practicing at the Designated Hospital,
- 1.2.3. Performing services under a contract between the Qualified Practitioner (or the Qualified Practitioner's employer) and
 - 1.2.3.1. A Designated Hospital,
 - 1.2.3.2. An organization owned by the Designated Hospital, or
 - 1.2.3.3. An organization that is owned by an organization that also owns the Designated Hospital,

So long as the contract requires that the Qualified Practitioner provide services exclusively to an entity listed in this section or

- 1.2.4. Performing services under a contract between the Qualified Practitioner (or the Qualified Practitioner's employer) and a Designated Hospital so long as less than 25% of the Designated Hospital's credentialed physicians are employed by the Designated Hospital or contracted to provide services exclusively at the Designated Hospital.
- 1.3. *AHCCCS Contract* means a contract between AHCCCS and a managed care entity for the services described in AHCCCS Contract Nos. YH19-0001 (AHCCCS Complete Care), YH19-0001 and YH22-0061R (ACC with Regional Behavioral Health Agreements), YH18-0001 (Arizona Long Term Care E/PD), YH6-0014 (Arizona Long Term Care DD), and YH15-0001 (DCS/CHP) including amendments to and extensions of those contracts.
- 1.4. *Agreement* means this document, together with any and all attachments, appendices, exhibits, schedules and future amendments as agreed to by the Parties. The term "Agreement" is synonymous with "Intergovernmental Agreement."
- 1.5. *AHCCCS* means Arizona Health Care Cost Containment System Administration, an agency of the State that administers the Medicaid program under Title XIX of the Social Security Act in Arizona.
- 1.6. *APSI or Access to Professional Services Initiative* means the terms in the AHCCCS Contracts, or in policies incorporated by reference into those contracts, that require the MCO to increase payments to Qualifying Practitioners by a uniform percentage of the rates otherwise negotiated for Qualified Professionals under a written contract with the MCO to provide service to persons enrolled with the MCO.
- 1.7. *CFR* means Code of Federal Regulations – the official compilation of Federal rules and requirements.
- 1.8. *Contract Year* means the period October 1, 2024, through September 30, 2025.
- 1.9. *Public Entity* means Kingman Regional Medical Center on behalf of Hospital District One of Mohave County

- 1.10. *CMS* means The Centers for Medicare and Medicaid Services, a Federal agency within the U.S. Department of Health and Human Services.
- 1.11. *Day* means a calendar day, unless specified otherwise.
- 1.12. *Designated Hospital* means a hospital that has completed and submitted to AHCCCS a fully executed attestation as set forth in Attachment B and that meets one or more of the following criteria:
 - 1.12.1. Is a hospital facility with an ACGME-accredited teaching program and which is operated pursuant to the authority in Arizona Statutes Title 48, Chapter 31; or,
 - 1.12.2. Is a hospital facility with:
 - 1.12.2.1. An ACGME-accredited teaching program with a state university, and
 - 1.12.2.2. AHCCCS Medicaid inpatient discharge utilization volume greater than or equal to 20 percent as calculated by the Arizona Department of Health Services for calendar year 2022; or,
 - 1.12.3. A freestanding children's hospital or a pediatric unit of a general acute care hospital with greater than one hundred (100) licensed pediatric beds, excluding nursery beds.
- 1.13. *FFP or Federal Financial Participation* means the Federal monies that AHCCCS claims from CMS for the Federal share of AHCCCS expenditures for the administration of and services paid for through the Medicaid Program, Title XIX of the Social Security Act.
- 1.14. *Hospital* means a health care facility licensed in Arizona as a hospital that is registered with AHCCCS as a participating provider that employs or has a contractual agreement with Qualifying Practitioners to receive payments from AHCCCS for the professional services of the Qualifying Practitioners.
- 1.15. *MCO or Medicaid Managed Care Contractor* means an entity that has an AHCCCS Contract and meets the definition in 42 C.F.R. § 438.2.
- 1.16. *State* means the State of Arizona.
- 1.17. *State Plan* means the agreement between the State and CMS for the administration of the Medicaid program in Arizona as described in 42 C.F.R. 430.10.
- 1.18. *Non-Federal Share* means the portion of AHCCCS expenditures for the administration of and services paid for through the Medicaid Program, Title XIX of the Social Security Act, that are not FFP, and which meet the requirements of 42 C.F.R. Part 433, Subpart B.
- 1.19. *Prior Period Adjustment* means an adjustment to the amount that would be transferred by the Public Entity for the Contract Year under Section 4.2 of this Agreement, but for Section 4.2.1, to reconcile amounts transferred for previous Contract Years with the Non-Federal Share of actual MCO payments to the Qualifying Practitioners in that previous Contract Year.

- 1.20. *Qualifying Practitioner* means the following health care providers to the extent that they are registered with AHCCCS, have a written provider contract with the MCO, render professional services covered by AHCCCS and bill for those services under a Tax Identification Number that is affiliated with a Designated Hospital:
 - 1.20.1. Physicians, including Doctor of Medicine and Doctor of Osteopathic Medicine;
 - 1.20.2. Certified Registered Nurse Anesthetists;
 - 1.20.3. Certified Registered Nurse Practitioners;
 - 1.20.4. Physician Assistants;
 - 1.20.5. Certified Nurse Midwives;
 - 1.20.6. Clinical Social Workers;
 - 1.20.7. Clinical Psychologists;
 - 1.20.8. Dentists; and,
 - 1.20.9. Optometrists
 - 1.20.10. Other Providers that bill under Form Type A (Form 1500) and D (Dental)
2. The purpose of this Agreement is to set forth the procedures under which the Public Entity will, at its discretion, transfer public funds to AHCCCS for use as the Non-Federal Share of expenditures made by AHCCCS to MCOs for the Contract Year, as modified to account for Prior Period Adjustments, in support of the APSI described in this Agreement. It is the intent of the parties that the procedures herein fully comply with Federal and State laws, rules and regulations.
3. Monies transferred by the Public Entity under this Agreement may only be used by AHCCCS for the Non-Federal Share of payment made by AHCCCS to MCOs as part of the APSI. Such payments will be made consistent with applicable Federal and State statutes, regulations, rules, and the terms of the State Plan.
4. RIGHTS AND OBLIGATIONS OF THE PARTIES.
 - 4.1. In advance of each Contract Year:
 - 4.1.1. Using adjudicated valid encounters from a prior period, AHCCCS will estimate the cost for the Contract Year of the incremental payments that MCOs will make as the result of the APSI to the Qualified Practitioners associated with the Designated Hospitals that execute Attachment B.
 - 4.1.2. AHCCCS will then calculate the Non-Federal Share of the costs identified in section 4.1.1 and will notify the Public Entity of the Non-Federal Share.
 - 4.1.3. The Public Entity shall provide AHCCCS with an attestation from each Designated Hospital in the form set forth in Attachment B of this Agreement.
 - 4.2. Subject to Section 4.2.1, the Public Entity shall transfer to AHCCCS four payments each equal to twenty percent (20%) of the Non-Federal Share calculated in Section 4.1.2 on or before November 1, February 1, May 1, and August 1 of the Contract Year.

- 4.2.1. The amount of the first payment made by the Public Entity under Section 4.2 shall be modified to reflect any Prior Period Adjustments owed by or to the Public Entity, as specified in Attachment A.
- 4.3. Using adjudicated and valid encounter data for the Contract Year that AHCCCS has received from the MCOs as of June of the following Contract Year:
 - 4.3.1. AHCCCS will calculate a uniform percentage of the total APSI eligible encounters for the Contract Year;
 - 4.3.2. AHCCCS will then calculate the Non-Federal Share of the costs identified in section 4.3.1 and will notify the Public Entity of the Non-Federal Share.
- 4.4. By August 1 after the Contract Year, Public Entity will transfer to AHCCCS an amount equal to the amount determined in section 4.3.2. less payments received under section 4.2, disregarding any prior period adjustments.
- 4.5. Subject to approval by CMS, upon receipt of funds from the Public Entity that are equal to or greater than the Non-Federal Share of the amount determined under Section 4.2 and 4.3, AHCCCS shall require the MCOs make APSI payments for service provided during the Contract Year to Qualifying Practitioners.
- 4.6. If the Public Entity payments required by Section 4.2 and 4.3 of this Agreement exceed the amount required by section 4.3.2, AHCCCS shall return the excess to the Public Entity.
- 4.7. Qualifying Practitioners will receive and retain one hundred percent (100%) of all APSI payments received, and neither the State, AHCCCS nor the Public Entity shall require, by contract or otherwise, a Designated Hospital or a Qualifying Practitioner to return any portion of the APSI payment to the State, AHCCCS, or a Public Entity; provided, however, that this provision does not prohibit Designated Hospitals from compensating Qualifying Practitioners or from accepting a reassignment of payment permitted by 42 C.F.R. 447.10.
- 4.8. On or before November 1 of the Contract Year, the Public Entity will submit to AHCCCS Attachment A to this Agreement listing the amounts and public source of the four payments made under section 4.2 (as modified for Prior Period Adjustments).
- 4.9. On or before August 1 after the Contract Year, the Public Entity will submit to AHCCCS Attachment A to this Agreement listing the amounts and public source of the payment made under section 4.4.
- 4.10. In the event of a disallowance based on the impermissibility of the transferred funds, AHCCCS shall make diligent efforts to recover the amounts due under Attachment B from the Designated Hospital. If AHCCCS is unable to recover the total computable amount associated with such disallowance from the Designated Hospital, the Public Entity shall make a payment to AHCCCS within 30 days of written demand from AHCCCS. AHCCCS shall only make such written demand if AHCCCS has been unable to recover the total computable amount associated with such disallowance from the Designated Hospital within twelve months or after final exhaustion of any administrative appeal related to such disallowance, whichever is later. The payment due from the Public Entity shall be equal to the amount due to CMS as a result of the disallowance, less any amount recovered from the Designated Hospital associated with the disallowance, and including any interest incurred as a result of an appeal of the disallowance.

5. COMPLIANCE WITH ADMINISTRATIVE REQUIREMENTS FOR STATE FINANCIAL PARTICIPATION

- 5.1. Public Entity certifies that, consistent with 42 C.F.R. Part 433, Subpart B, no portion of the funds transferred to AHCCCS are derived from (1) direct or indirect provider-related donations (in cash or in kind), other than bona fide provider-related donations or (2) health care-related taxes, other than as permitted in Subpart B and any other federal law or regulation applicable to the permissibility of funding sources.
- 5.2. Public Entity certifies that, consistent with 42 C.F.R. § 433.51(c), the funds transferred to AHCCCS under this Agreement are not Federal funds or are Federal funds authorized by Federal law to be used to match Federal funds.
- 5.3. Public Entity agrees to provide AHCCCS with supporting documentation of the sources of the funds transferred pursuant to this agreement and of the bases for the Public Entity's assurance that the funds transferred comply with Sections 5.1 and 5.2.
- 5.4. If Public Entity fails to provide supporting documentation required in Section 5.3 of this Agreement such that CMS adjusts future grant awards to AHCCCS or defers or disallows any expenditures claimed by AHCCCS, then Public Entity agrees to reimburse AHCCCS immediately, upon demand by AHCCCS, in the amount of the adjustment or disallowance that is attributable to sources that do not comply with sections 5.1 or 5.2 of this Agreement.
- 5.5. Public Entity certifies that the funds transferred to AHCCCS as described in this Agreement are made voluntarily and that neither the State nor AHCCCS has through statute, rule, or otherwise required the Public Entity to provide the funding.

6. GENERAL PROVISIONS.

- 6.1. Entire Agreement. This document, its attachments, and appendices, including any approved subcontracts, amendments and modifications made thereto, shall constitute the entire Agreement between the Parties, and supersedes all other understandings, oral or written.
- 6.2. Exercise of Rights. Failure to exercise any right, power or privilege under this Agreement will not operate as a waiver thereof, nor will a single or partial exercise thereof preclude any other or further exercise of that or any other right, power, or privilege.
- 6.3. Contract Term. This Agreement commences when signed by both parties. Notwithstanding the facts that certain AHCCCS or Public Entity obligations under this Agreement occur after the Term hereof, the parties agree that the Term of this Agreement continues through the later of conclusion of: (1) any payment reconciliations required by Federal or State law for payments made under this Agreement or (2) audits of payments made under this Agreement as required by State or Federal law and any administrative appeal of such reconciliation or audit.
- 6.4. Compliance with Laws, Rules, and Regulations. The Public Entity and its subcontractors must comply with all applicable Federal and State laws, rules, regulations, standards, and Executive Orders, without limitation to those designated within this Agreement.
 - 6.4.1. Non-Discrimination. The parties shall not discriminate against any employee, client or any other individual in any way because of that person's age, race, creed, color, religion, sex, disability, or national origin in the course of carrying out their duties pursuant to this Agreement. The Parties shall comply with the provisions of Arizona Executive Order 2009-09, incorporated into this Agreement by reference, as if set forth in full herein.

- 6.4.2. ADA. The parties shall comply with all applicable provisions of the Americans with Disabilities Act (Public Law 101336, 42 U.S.C. 1210112213) and all applicable Federal regulations under the Act, including 28 CFR Parts 35 and 36.
- 6.5. Choice of Law. The laws and regulations of the State of Arizona govern the rights of the Parties, the performance of this Agreement, and any disputes arising from the Agreement.
- 6.6. Compulsory Arbitration. Any action relating to this Agreement must be brought by arbitration to the extent required by A.R.S. § 12-1518 or in an appropriate court. Any arbitration award will be enforced in an appropriate court.
- 6.7. Amendments. This Agreement, including its term, may be modified only through a duly authorized written amendment, executed with the same formality as the Agreement.
- 6.8. Notice. Any notice required by the terms of the Agreement and any questions regarding the duties and obligations of this contract shall be directed to:
- 6.8.1. For AHCCCS:
- Meggan LaPorte, CPPO, MSW
Chief Procurement Officer
AHCCCS
Email: procurement@azahcccs.gov
- 6.8.2. For the Public Entity:
- [insert name and contact information for the appropriate individual at the Public Entity]
- 6.8.3. Notwithstanding section 6.8 of this Agreement, AHCCCS and the Public Entity will give notice by regular mail, or any other means reasonably anticipated to provide actual notice to the other party of any change of the address, telephone number, name of the authorized signatory or designee; or name and/or address of the person to whom notices are to be sent.
- 6.9. Termination.
- 6.9.1. AHCCCS may terminate this Agreement if the APSI program is terminated for any reason including the withdrawal of CMS approval of the APSI program, a determination that funds provided or payments made under this Agreement do not comply with this Agreement, or a change in Federal or State law. Upon termination under this Section, AHCCCS shall return to the Public Entity any unexpended excess funds determined under Section 4.6.
- 6.9.2. Pursuant to A.R.S. § 38-511, either party to this Agreement may terminate this Agreement without penalty or further obligation if any person significantly involved in initiating, negotiating, securing, drafting or creating the Agreement is or becomes at any time while the Agreement or an extension of the Agreement is in effect an employee of or a consultant to any other party to this Agreement with respect to the subject matter of the Agreement. The cancellation will be effective when AHCCCS or the Public Entity receives written notice of the cancellation unless the notice specifies a later time.

In accordance with A.R.S. § 11-952, undersigned counsel has determined that this Intergovernmental Agreement is in proper form and is within the powers and authority granted under the laws of the State of Arizona, including but not limited to A.R.S. §§ 36-2903 et seq.

Counsel for Public Entity

Nigah Mughal, Deputy General Counsel
Counsel for AHCCCS

Date: _____

Date: _____

ATTACHMENT A

To The Intergovernmental Agreement
Between
ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM ADMINISTRATION
("AHCCCS")
And
Kingman Regional Medical Center on behalf of
Hospital District One of Mohave County
("Public Entity")

For the Support of the
Access to Professional Services Initiative

Pursuant to the Agreement, the Public Entity has agreed to transfer public funds from the source(s) and in the amount(s) specified below as the Non-Federal Share of expenditures in support of the APSI for the Contract Year ending September 30, 2025:

Payment Date	Source	Amount
November 1, 2024	Payment #1	\$ 453,850.00
	CYE 23 Prior Period Adjustment #1	(\$-)
	Subtotal	\$ 453,850.00
February 1, 2025	Payment #2	\$ 453,850.00
May 1, 2025	Payment #3	\$ 453,850.00
August 1, 2025	Payment #4	\$ 453,850.00
August 1, 2026	Payment #5	\$ 453,850.00
	Grand Total	\$ 2,269,250.00

ATTACHMENT B

On behalf of Kingman Regional Medical Center ("Hospital"), I hereby attest to the following under penalty of perjury as true and correct to the best of my knowledge:

1. For purposes of this attestation, the following terms have the following meanings:
 - a. *ACGME* means the Accreditation Council for Graduate Medical Education, an independent, not-for-profit, physician-led organization that sets and monitors the professional educational standards for graduate medical education programs.
 - b. *APSI or Access to Professional Services Initiative* means the terms in the AHCCCS Contract, or in policies incorporated by reference into those contracts, that require the MCO to increase payments to Qualifying Practitioners by a uniform percentage of the rates otherwise negotiated for Qualifying Practitioners that have a written contract with the MCO to provide service to persons enrolled with the MCO.
 - c. *CFR* means Code of Federal Regulations – the official compilation of Federal rules and requirements.
 - d. *Contract Year* means the period from October 1st of the year through September 30th of the following year beginning October 1, 2024, and, subject to annual approval by CMS, ending September 30, 2025.
 - e. *CMS* means The Centers for Medicare and Medicaid Services, a Federal agency within the U.S. Department of Health and Human Services.
 - f. *Designated Hospital* means a hospital that has completed and submitted to AHCCCS a fully executed attestation and that meets one or more of the following criteria:
 - i. Is a hospital facility with an ACGME-accredited teaching program and which is operated pursuant to the authority in Arizona Statutes Title 48, Chapter 31; or,
 - ii. Is a hospital facility with:
 1. An ACGME-accredited teaching program with a state university, and
 2. AHCCCS Medicaid inpatient discharge utilization volume greater than or equal to 20 percent as calculated by the Arizona Department of Health Services for calendar year 2022; or,
 - iii. Is a freestanding children's hospital or a pediatric unit of a general acute care hospital with greater than one hundred (100) licensed pediatric beds, excluding nursery beds.
 - g. *Entity related to the Hospital or Qualifying Practitioner* means:
 - i. An organization, association, corporation, or partnership formed by or on behalf of the health care provider;
 - ii. An individual with an ownership or control interest in the health care provider, as defined in 42 USC 1320a-3(a)(3);
 - iii. An employee, spouse, parent, child, or sibling of the health care provider, or of a person with an ownership or control interest in the Hospital, as defined in 42 USC 1320a-3(a)(3); or

- iv. A supplier of health care items or services or a supplier to the health care provider.
- h. *FFP or Federal Financial Participation* means the Federal monies that AHCCCS claims from CMS for the Federal share of AHCCCS expenditures for the administration of and services paid for through the Medicaid Program, Title XIX of the Social Security Act.
- i. *Funding Partner* means collectively the Public Entities providing funds to AHCCCS to be used as the Non-Federal Share of a claim by AHCCCS for FFP associated with the APSI.
- j. *Hospital* means a health care facility licensed in Arizona as a hospital that is registered with AHCCCS as a participating provider that employs or has a contractual agreement with Qualifying Practitioners to receive payments from AHCCCS for the professional services of the Qualifying Practitioners.
- k. *MCO or Medicaid Managed Care Contractor* means an entity that has a contract with AHCCCS and that meets the definition in 42 C.F.R. § 438.2.
- l. *Non-Federal Share* means the portion of AHCCCS expenditures for the administration of and services paid for through the Medicaid Program, Title XIX of the Social Security Act, that are not FFP, and which meet the requirements of 42 C.F.R. Part 433, Subpart B.
- m. *Qualifying Practitioner* means the following health care providers to the extent that they are registered with AHCCCS, and render professional services covered by AHCCCS that bills for services under a Tax Identification Number that is affiliated with one of the Designated Hospitals and identified by AHCCCS:
 - i. Physicians, including Doctor of Medicine and Doctor of Osteopathic Medicine;
 - ii. Certified Registered Nurse Anesthetists;
 - iii. Certified Registered Nurse Practitioners;
 - iv. Physician Assistants;
 - v. Certified Nurse Midwives;
 - vi. Clinical Social Workers;
 - vii. Clinical Psychologists;
 - viii. Dentists;
 - ix. Optometrists, and
 - x. Other Providers that bill under Form Type A (Form 1500) and D (Dental).

2. On behalf of the Hospital, I attest that:

- a. The Hospital is a Designated Hospital
- b. No formal or informal agreements exist between the Hospital, or any Entity Related to the Hospital, and any Funding Partner for the direct or indirect return to any Funding Partner of any portion of payments made by any MCO to Qualifying Practitioners as part of the APSI or of payments made by the Funding Partner for the administration of the APSI.

- c. No formal or informal agreement exists between (1) the Hospital or any Entity Related to the Hospital and (2) any other Designated Hospital, Qualifying Practitioner, or any Entity Related to any other Designated Hospital or Qualifying Practitioner, for the direct or indirect return to any Funding Partner of any portion of payments made by any MCO to any Qualifying Practitioner as part of the APSI or of payments made by the Funding Partner for the administration of the APSI.
 - d. Neither the Hospital nor any Entity Related to the Hospital has made any direct or indirect donations (in cash or in kind) to any Funding Partner in excess of the limitations in 42 CFR Part 433, Subpart B.
- 3. The Hospital accepts that completion of this attestation is a condition of the Hospital's participation in APSI. The Hospital shall inform AHCCCS immediately if the Hospital enters into an agreement described in this attestation or makes any donation to any Public Entity in excess of the limitations in 42 CFR Part 433, Subpart B associated with payments under APSI.
- 4. The undersigned Hospital agrees that in the event CMS issues a disallowance of FFP based on a determination that the source of the funds transferred by any governmental entity in support of APSI payments to the Hospital are either Federal funds, provider donations, or health care-related taxes that are not permissible under 42 C.F.R. Part 433, Subpart B, the Hospital will, upon final exhaustion of any administrative appeal related to such disallowance:
 - a. Refund to AHCCCS within 30 days of written demand an amount of the APSI payments made to the Hospital equal to the total computable amount associated with such disallowance, including any interest incurred as a result of an appeal.
 - b. Permit AHCCCS to offset the amount referenced in (a), to the extent it is not refunded, from any amounts otherwise due to the Hospital.
- 5. The undersigned attests that they have personal knowledge of the matters attested to herein and have the legal authority to bind the Hospital to the terms herein.

Dated: [Click here to enter a date.](#)

By:

Print Name: [Click here to enter text.](#)

Title: [Click here to enter text.](#)

INTERGOVERNMENTAL AGREEMENT

BETWEEN

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM ADMINISTRATION
("AHCCCS")

And

Kingman Regional Medical Center on behalf of
Hospital District One of Mohave County

("Public Entity")

For the Administration of the

Access to Professional Services Initiative

WHEREAS, AHCCCS is authorized through contract to direct Medicaid managed care contractors' payments to providers in a manner consistent with 42 C.F.R. § 438.6 when those directed payments are expected to advance the goals and objectives of the quality strategies adopted by AHCCCS which include improving access to high-quality health care; and

WHEREAS, AHCCCS is authorized under A.R.S. § 36-2913(C)(5) to accept donations from any source and is permitted to use funds transferred from other public entities in support of Medicaid; and

WHEREAS, the Public Entity, is authorized to enter into this Agreement pursuant to A.R.S. § 48-1901 et.seq); and

WHEREAS, 42 C.F.R. Part 433, Subpart B restricts States' use of Federal funds, health care-related taxes, and provider-related donations as sources for the Non-Federal Share of Medicaid expenditures; and

WHEREAS, AHCCCS and the Public Entity are authorized by A.R.S. § 11-952 to enter into Intergovernmental Agreements to jointly exercise powers common to the parties or for cooperative action; and

WHEREAS, the Public Entity and AHCCCS have entered into IGA no. YH25-0021-03-A ("the APSI Payments IGA") wherein the Public Entity provides payments for the Non-Federal Share of APSI payments to Qualifying Practitioners affiliated with Designated Hospitals identified in that IGA; and

WHEREAS, the Public Entity and AHCCCS wish to enter into this Agreement in order to permit the Public Entity to provide the Non-Federal Share of payments to AHCCCS to administer the Access to Professional Services Initiative;

NOW, THEREFORE, the Public Entity and AHCCCS (collectively, the "Parties"), pursuant to the above and in consideration of the matters hereinafter set forth, do mutually agree as follows:

1. The terms in this Agreement have the same meaning as defined in the APSI Payment IGA.

2. The purpose of this Agreement is to set forth the procedures under which the Public Entity will, at its discretion, transfer public funds for use as the Non-Federal Share of expenditures by AHCCCS for the administration of the APSI Payment IGA. It is the intent of the parties that the procedures herein fully comply with Federal and State laws, rules, and regulations.
3. Monies transferred by the Public Entity under this Agreement may only be used by AHCCCS for the administration of the APSI Payment IGA. Such payment will be made consistent with applicable Federal and State statutes, regulations, rules, and the terms of the State Plan.
4. RIGHTS AND OBLIGATIONS OF THE PARTIES.

4.1. Consistent with the APSI Payment IGA, in advance of each Contract Year:

- 4.1.1. Using adjudicated valid encounters from a prior period, AHCCCS will estimate the cost for the Contract Year of the incremental payments that MCOs will make as the result of the APSI to the Qualified Practitioners associated with the Designated Hospitals that execute Attachment B.
- 4.1.2. AHCCCS will then calculate the Non-Federal Share of the costs identified in section 4.1.1 and will notify the Public Entity of the Non-Federal Share.
- 4.1.3. On or before November 1 of the Contract Year, the Public Entity shall transfer to AHCCCS an amount equal to four percent (4%) of the Non-Federal Share of the costs identified in section 4.1.2.
- 4.1.4. On or before November 1 of the Contract Year, the Public Entity shall provide AHCCCS with Attachment A identifying the public source(s) of the amount transferred to AHCCCS.
- 4.2. In the event of a disallowance based on the impermissibility of the transferred funds, AHCCCS shall make diligent efforts to recover the amounts due under Attachment B from the Designated Hospital. If AHCCCS is unable to recover the total computable amount associated with such disallowance from the Designated Hospital, the Public Entity shall make a payment to AHCCCS within 30 days of written demand from AHCCCS. AHCCCS shall only make such written demand if AHCCCS has been unable to recover the total computable amount associated with such disallowance from the Designated Hospital within twelve months or after final exhaustion of any administrative appeal related to such disallowance, whichever is later. The payment due from the Public Entity shall be equal to the amount due to CMS as a result of the disallowance, less any amount recovered from the Designated Hospital associated with the disallowance, and including any interest incurred as a result of an appeal of the disallowance.

5. COMPLIANCE WITH ADMINISTRATIVE REQUIREMENTS FOR STATE FINANCIAL PARTICIPATION

- 5.1. Public Entity certifies that, consistent with 42 C.F.R. Part 433, Subpart B, no portion of the funds transferred to AHCCCS are derived from (1) direct or indirect provider-related donations (in cash or in kind), other than bona fide provider-related donations or (2) health care-related taxes, other than as permitted in Subpart B and any other federal law or regulation applicable to the permissibility of funding sources.
- 5.2. Public Entity certifies that, consistent with 42 C.F.R. § 433.51(c), the funds transferred to AHCCCS under this Agreement are not Federal funds or are Federal funds authorized by Federal law to be used to match Federal funds.

- 5.3. Public Entity agrees to provide AHCCCS with supporting documentation of the sources of the funds transferred pursuant to this agreement and of the bases for the Public Entity's assurance that the funds transferred comply with Sections 5.1 and 5.2.
- 5.4. If Public Entity fails to provide supporting documentation required in Section 5.3 of this Agreement such that CMS adjusts future grant awards to AHCCCS or defers or disallows any expenditures claimed by AHCCCS, then Public Entity agrees to reimburse AHCCCS immediately, upon demand by AHCCCS, in the amount of the adjustment or disallowance that is attributable to sources that do not comply with sections 5.1 or 5.2 of this Agreement.
- 5.5. Public Entity certifies that the funds transferred to AHCCCS as described in this Agreement are made voluntarily and that neither the State nor AHCCCS has through statute, rule, or otherwise required the Public Entity to provide the funding.

6. GENERAL PROVISIONS.

- 6.1. Entire Agreement. This document, its attachments, and appendices, including any approved subcontracts, amendments and modifications made thereto, shall constitute the entire Agreement between the Parties, and supersedes all other understandings, oral or written.
- 6.2. Exercise of Rights. Failure to exercise any right, power or privilege under this Agreement will not operate as a waiver thereof, nor will a single or partial exercise thereof preclude any other or further exercise of that or any other right, power, or privilege.
- 6.3. Contract Term. This Agreement commences when signed by both parties and renews annually upon timely receipt by AHCCCS of an Attachment A from the Public Entity for the Contract Year and the timely transfer of the payment made in accordance with Attachment A for the Contract Year. Notwithstanding the facts that certain AHCCCS or Public Entity obligations under this Agreement occur after the Term hereof, the parties agree that the Term of this Agreement continues through the later of the conclusion of: (1) any payment reconciliations required by Federal or State law for payments made under this Agreement or (2) and audits of payments made under this Agreement as required by State or Federal law and any administrative appeal of such reconciliation or audit.
- 6.4. Compliance with Laws, Rules, and Regulations. AHCCCS, the Public Entity and their subcontractors must comply with all applicable Federal and State laws, rules, regulations, standards, and Executive Orders, without limitation to those designated within this Agreement.
 - 6.4.1. Non-Discrimination. The parties shall not discriminate against any employee, client or any other individual in any way because of that person's age, race, creed, color, religion, sex, disability, or national origin in the course of carrying out their duties pursuant to this Agreement. The Parties shall comply with the provisions of Arizona Executive Order 2009-09, incorporated into this Agreement by reference, as if set forth in full herein.
 - 6.4.2. ADA. The parties shall comply with all applicable provisions of the Americans with Disabilities Act (Public Law 101336, 42 U.S.C. 12101-12213) and all applicable Federal regulations under the Act, including 28 CFR Parts 35 and 36.
- 6.5. Choice of Law. The laws and regulations of the State of Arizona govern the rights of the Parties, the performance of this Agreement, and any disputes arising from the Agreement.

- 6.6. Compulsory Arbitration. Any action relating to this Agreement must be brought by arbitration to the extent required by A.R.S. § 12-1518 or in an appropriate court. Any arbitration award will be enforced in an appropriate court.
- 6.7. Amendments. This Agreement, including its term, may be modified only through a duly authorized written amendment, executed with the same formality as the Agreement.
- 6.8. Notice. Any notice required by the terms of the Agreement and any questions regarding the duties and obligations of this contract shall be directed to:

6.8.1. For AHCCCS:

Meggan LaPorte, CPPO, MSW
Chief Procurement Officer
AHCCCS
Email: procurement@azahcccs.gov

6.8.2. For the Public Entity:

[insert name and contact information for the appropriate individual at the Public Entity]

- 6.8.3. Notwithstanding section 6.8 of this Agreement, AHCCCS and the Public Entity will give notice by regular mail or any other means reasonably anticipated to provide actual notice to the other party of any change of the address, telephone number, name of the authorized signatory or designee; or name and/or address of the person to whom notices are to be sent.

6.9. Termination.

- 6.9.1. AHCCCS may terminate this Agreement if the APSI program is terminated for any reason including the withdrawal of CMS approval of the APSI program, a determination that funds provided or payments made under this Agreement do not comply with this Agreement, or a change in Federal or State law.
- 6.9.2. Pursuant to A.R.S. § 38-511, either party to this Agreement may terminate this Agreement without penalty or further obligation if any person significantly involved in initiating, negotiating, securing, drafting or creating the Agreement is or becomes at any time while the Agreement or an extension of the Agreement is in effect an employee of or a consultant to any other party to this Agreement with respect to the subject matter of the Agreement. The cancellation will be effective when AHCCCS or the Public Entity receives written notice of the cancellation unless the notice specifies a later time.

- 6.10. Records. The Parties agree to retain all financial books, records, and other documents and will contractually require each subcontractor to retain all data and other records relating to the acquisition and performance of the Agreement for a period of five (5) years after the completion of the Agreement. All records are subject to inspection and audit by the Parties at reasonable times. Upon request, the Parties will produce a legible copy of any or all such records.

- 6.11. Severability. The provisions of this Agreement are severable. If any provision of this Agreement is held by a court to be invalid or unenforceable, the remaining provisions continue to be valid and enforceable to the full extent permitted by law.

- 6.12. Indemnification. Each party (as Indemnitor) agrees to indemnify, defend and hold harmless the other party (as Indemnitee) from and against any and all claims, losses,

liability, costs or expenses (including reasonable attorney's fees) (hereinafter collectively referred to as "claims") arising out of this Agreement, but only to the extent that such claims result in vicarious/derivative liability to the Indemnitee, are caused by the act, omission, negligence, misconduct, or other fault of the Indemnitor, its officers, officials, agents, employees, or volunteers.

- 6.13. No Third-Party Beneficiaries. Nothing in the provisions of this Agreement is intended to (1) create duties or obligations to or rights in any other persons or entities not parties to this Agreement or (2) effect the legal liability of either party to the Agreement with respect to any other persons or entities not parties to this Agreement.
- 6.14. No Joint Venture. Nothing in this Agreement is intended to create a joint venture between or among the Parties and it will not be so construed. Neither AHCCCS' nor the Public Entity's employees will be considered officers, agents, or employees of the other or be entitled to receive any employment related fringe benefits from the other.

NOW THEREFORE, AHCCCS and the Public Entity agree to abide by the terms and conditions set forth in this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date and year specified below.

Kingman Regional Medical Center on behalf
of Hospital District One of Mohave County
("Public Entity")

Arizona Health Care Cost Containment
System

("AHCCCS")

By: [name and title]

By: Meggan LaPorte, Chief Procurement
Officer

Date: _____

Date: _____

In accordance with A.R.S. § 11-952, undersigned counsel has determined that this Intergovernmental Agreement is in proper form and is within the powers and authority granted under the laws of the State of Arizona, including but not limited to A.R.S. §§ 36-2903 et seq.

Counsel for Public Entity

Nigah Mughal, Deputy General Counsel
Counsel for AHCCCS

Date: _____

Date: _____

ATTACHMENT A

To The Intergovernmental Agreement
Between
The Arizona Health Care Cost Containment System Administration
("AHCCCS")
And
Kingman Regional Medical Center on behalf of
Hospital District One of Mohave County

("Public Entity")
For the Administration of the
Access to Professional Services Initiative

Pursuant to the Agreement, the Public Entity has agreed to transfer public funds from the source(s) and in the amount(s) specified below as the Non-Federal Share of AHCCCS expenditures for the administration of the APSI for the Contract Year ending September 30, 2025:

Payment Date	Source	Amount
November 1, 2024	Payment #1	\$ 90,760.00
	Subtotal	\$ 90,760.00

ATTACHMENT B

On behalf of Kingman Regional Medical Center ("Hospital"), I hereby attest to the following under penalty of perjury as true and correct to the best of my knowledge:

1. For purposes of this attestation, the following terms have the following meanings:
 - a. *ACGME* means the Accreditation Council for Graduate Medical Education, an independent, not-for-profit, physician-led organization that sets and monitors the professional educational standards for graduate medical education programs.
 - b. *APSI or Access to Professional Services Initiative* means the terms in the AHCCCS Contract, or in policies incorporated by reference into those contracts, that require the MCO to increase payments to Qualifying Practitioners by a uniform percentage of the rates otherwise negotiated for Qualifying Practitioners that have a written contract with the MCO to provide service to persons enrolled with the MCO.
 - c. *CFR* means Code of Federal Regulations – the official compilation of Federal rules and requirements.
 - d. *Contract Year* means the period from October 1st of the year through September 30th of the following year beginning October 1, 2024, and, subject to annual approval by CMS, ending September 30, 2025.
 - e. *CMS* means The Centers for Medicare and Medicaid Services, a Federal agency within the U.S. Department of Health and Human Services.
 - f. *Designated Hospital* means a hospital that has completed and submitted to AHCCCS a fully executed attestation and that meets one or more of the following criteria:
 - i. Is a hospital facility with an ACGME-accredited teaching program and which is operated pursuant to the authority in Arizona Statutes Title 48, Chapter 31; or,
 - ii. Is a hospital facility with:
 1. An ACGME-accredited teaching program with a state university, and
 2. AHCCCS Medicaid inpatient discharge utilization volume greater than or equal to 20 percent as calculated by the Arizona Department of Health Services for calendar year 2022; or,
 - iii. Is a freestanding children's hospital or a pediatric unit of a general acute care hospital with greater than one hundred (100) licensed pediatric beds, excluding nursery beds.
 - g. *Entity related to the Hospital or Qualifying Practitioner* means:
 - i. An organization, association, corporation, or partnership formed by or on behalf of the health care provider;
 - ii. An individual with an ownership or control interest in the health care provider, as defined in 42 USC 1320a-3(a)(3);
 - iii. An employee, spouse, parent, child, or sibling of the health care provider, or of a person with an ownership or control interest in the Hospital, as defined in 42 USC 1320a-3(a)(3); or

- iv. A supplier of health care items or services or a supplier to the health care provider.
 - h. *FFP or Federal Financial Participation* means the Federal monies that AHCCCS claims from CMS for the Federal share of AHCCCS expenditures for the administration of and services paid for through the Medicaid Program, Title XIX of the Social Security Act.
 - i. *Funding Partner* means collectively the public entities providing funds to AHCCCS to be used as the Non-Federal Share of a claim by AHCCCS for FFP associated with the APSI.
 - j. *Hospital* means a health care facility licensed in Arizona as a hospital that is registered with AHCCCS as a participating provider that employs or has a contractual agreement with Qualifying Practitioners to receive payments from AHCCCS for the professional services of the Qualifying Practitioners.
 - k. *MCO or Medicaid Managed Care Contractor* means an entity that has a contract with AHCCCS and that meets the definition in 42 C.F.R. § 438.2.
 - l. *Non-Federal Share* means the portion of AHCCCS expenditures for the administration of and services paid for through the Medicaid Program, Title XIX of the Social Security Act, that are not FFP, and which meet the requirements of 42 C.F.R. Part 433, Subpart B.
 - m. *Qualifying Practitioner* means the following health care providers to the extent that they are registered with AHCCCS, and render professional services covered by AHCCCS that bills for services under a Tax Identification Number that is affiliated with one of the Designated Hospitals and identified by AHCCCS:
 - i. Physicians, including Doctor of Medicine and Doctor of Osteopathic Medicine;
 - ii. Certified Registered Nurse Anesthetists;
 - iii. Certified Registered Nurse Practitioners;
 - iv. Physician Assistants;
 - v. Certified Nurse Midwives;
 - vi. Clinical Social Workers;
 - vii. Clinical Psychologists;
 - viii. Dentists;
 - ix. Optometrists, and
 - x. Other Providers that bill under Form Type A (Form 1500) and D (Dental).
2. On behalf of the Hospital, I attest that:
- a. The Hospital is a Designated Hospital
 - b. No formal or informal agreements exist between the Hospital, or any Entity Related to the Hospital, and any Funding Partner for the direct or indirect return to any Funding Partner of any portion of payments made by any MCO to Qualifying Practitioners as part of the APSI or of payments made by the Funding Partner for the administration of the APSI.

- c. No formal or informal agreement exists between (1) the Hospital or any Entity Related to the Hospital and (2) any other Designated Hospital, Qualifying Practitioner, or any Entity Related to any other Designated Hospital or Qualifying Practitioner, for the direct or indirect return to any Funding Partner of any portion of payments made by any MCO to any Qualifying Practitioner as part of the APSI or of payments made by the Funding Partner for the administration of the APSI.
 - d. Neither the Hospital nor any Entity Related to the Hospital has made any direct or indirect donations (in cash or in kind) to any Funding Partner in excess of the limitations in 42 CFR Part 433, Subpart B.
- 3. The Hospital accepts that completion of this attestation is a condition of the Hospital's participation in APSI. The Hospital shall inform AHCCCS immediately if the Hospital enters into an agreement described in this attestation or makes any donation to any Public Entity in excess of the limitations in 42 CFR Part 433, Subpart B associated with payments under APSI.
- 4. The undersigned Hospital agrees that in the event CMS issues a disallowance of FFP based on a determination that the source of the funds transferred by any governmental entity in support of APSI payments to the Hospital are either Federal funds, provider donations, or health care-related taxes that are not permissible under 42 C.F.R. Part 433, Subpart B, the Hospital will, upon final exhaustion of any administrative appeal related to such disallowance:
 - a. Refund to AHCCCS within 30 days of written demand an amount of the APSI payments made to the Hospital equal to the total computable amount associated with such disallowance, including any interest incurred as a result of an appeal.
 - b. Permit AHCCCS to offset the amount referenced in (a), to the extent it is not refunded, from any amounts otherwise due to the Hospital.
- 5. The undersigned attests that they have personal knowledge of the matters attested to herein and have the legal authority to bind the Hospital to the terms herein.

Dated: [Click here to enter a date.](#)

By: [Click here to enter text.](#)

Print Name: [Click here to enter text.](#)

Title: [Click here to enter text.](#)