



**WHEN RECORDED MAIL TO:**

**CITY OF SAN LUIS  
ATTN: SONIA CORNELIO, CITY CLERK  
P.O. BOX 1170  
SAN LUIS, ARIZONA 85349**

The above area is to be reserved for recording information

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**CAPTION HEADING:**

Resolution No. 1110  
IGA between the City of San Luis and City of Somerton for Ambulance Billing Services



# Resolution

OFFICE OF THE  
MAYOR  
CITY OF SAN LUIS

RESOLUTION NO. 1110

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF SAN LUIS, ARIZONA APPROVING INTERGOVERNMENTAL AGREEMENT BETWEEN THE CITY OF SAN LUIS, ARIZONA AND THE CITY OF SOMERTON, ARIZONA FOR AMBULANCE BILLING SERVICES

Whereas, the City of San Luis desires to enter into an intergovernmental agreement with the City of Somerton for ambulance billing services;

NOW THEREFORE BE IT RESOLVED, by the Mayor and Council of the City of San Luis, State of Arizona, as follows:

Section 1: That the Intergovernmental Agreement, as attached hereto as Exhibit "A", is hereby ratified and approved.

Section 2: That the appropriate City officials are hereby authorized and directed to enter into said agreement on behalf of the City and take any all actions as may be necessary to effectuate said agreement.

PASSED AND ADOPTED by the Mayor and Common Council of the City of San Luis, Arizona, this 9<sup>th</sup> day of September, 2015.

  
\_\_\_\_\_  
Gerardo Sanchez, Mayor

ATTEST:

  
\_\_\_\_\_  
Sonia Cornelio, City Clerk

APPROVED AS TO FORM:

  
\_\_\_\_\_  
for Glenn Gimbut  
City Attorney

**INTERGOVERNMENTAL AGREEMENT FOR AMBULANCE BILLING  
SERVICES**

This intergovernmental agreement ("Agreement") dated the 9<sup>th</sup> day of September, 2015 is made by and between CITY OF SOMERTON, an Arizona Municipal Corporation, operating an ambulance service in southern Yuma County pursuant to a certificate of necessity issued by the Arizona Department of Health Services, ("Billing Center"), and the CITY OF SAN LUIS, an Arizona Municipal Corporation operating an ambulance service within its municipal limits pursuant to a certificate of necessity issued by the Arizona Department of Health Services, ("Provider") for services and joint cooperative action pursuant to the authority of Title 11, Chapter 7, Article 3 of the Arizona Revised Statutes. In consideration of the mutual covenants contained herein, the parties hereto agree as follows.

1. Provider Obligations. The Provider will:

- (i) Submit to Billing Center the daily Patient Care Reports (PCRs);
- (ii) Ensure the accuracy and completeness of all PCRs;
- (iii) Provide the Billing Center with complete insurance information for each patient;
- (iv) Submit to Billing Center copies of all patient and/or insurance payment checks;
- (v) Submit to Billing Center copies of all Explanation of Benefits (EOBs); and
- (vi) Submit fee listing and notify Billing Center of all fee changes.
- (vii) Full access to previous records and current billing system infrastructure

2. Payments. All patient and insurance payments will be made directly to Provider via PO Box or Lock Box jointly accessed by Billing Center. Provider will assure submission to the Billing Center copies of patient/insurance payments checks and EOBs.

3. Billing Center Obligations. Billing Center agrees to:

- (i) Process all clean claims within seven business days from receipt to billing center

Manage all aspects of the accounts receivable for Provider.

This shall include but not be limited to submission of all claims to the appropriate insurance Carriers;

- (ii) Posting all receipts to patient accounts;
- (iii) Processing and mailing all Patient Statements;
- (iv) Supply provider with the management reports on/around the 15th of following month;
- (v) Handle all insurance-related mail;
- (vi) Mail all Secondary Claims;
- (vii) Handle all appeals;
- (vii) Handle the follow-up and resubmits of all claims; and

- (viii) Provide collections in a manner in which arrangements have been made and both parties have agreed. Billing Center shall have no liability for any amounts uncollected.

4. Compensation. Provider agrees to pay Billing Center for all services described in this agreement (the "Services") eight percent (8%) of total net dollars posted to the account on a monthly basis.

Terms of Payment. Billing Center will send a statement via mail and e-mail within 5 working days of the 1<sup>st</sup> of each month. Remittance of payment for Services will be on or before the 20<sup>th</sup> day of the month that said statement is received.

5. Term. The term of this Agreement shall be for a period of five years following the date that this agreement has been approved by the Arizona Department of Health Services.

6. Termination Rights.

A. Billing Center may terminate this Agreement:

- i. Upon a default by the Provider in the payment of monies due and owing to Billing Center if such breach is not cured within fifteen (15) days of notice thereof to the Provider.

- ii. Upon the material breach of this Agreement by Provider if such breach is not cured within fifteen (15) days of written notice thereof.

B. Provider may terminate this Agreement:

- i. Upon the material breach of this Agreement by Billing Center if such breach is not cured within fifteen (15) days of written notice thereof.

7. Liability. Billing Center maintains and operates to ensure the integrity and confidentiality of Provider and patients. Billing Center will assume no responsibility for billing errors outside of data entry mistakes. All necessary HIPPPA and other state and federal patient privacy acts shall be maintained,

8. Arbitration and Default

A. Representatives. To further the cooperation of the parties in implementing this Agreement, Provider and Billing Center each shall designate and appoint a representative to act as a liaison between Provider and Billing Center. The initial representative for the Provider (the "Provider Representative") shall be its Fire Chief and the initial representative for Billing Center (the Billing Center Representative) shall be its Fire Chief. The representatives shall be available at all reasonable times to discuss and review the performance of the parties to this Agreement. .

B. Arbitration. In the event of any dispute arising between the parties involving this Agreement or any matter relating to the corporation, the parties agree to binding arbitration, to be

conducted pursuant to the Rules of Arbitration utilized in Yuma County, Arizona Superior Court, Local Rule X. Arbitration shall include reasonable attorney fees and costs to the prevailing party.

C. Default. Failure or unreasonable delay by any party to perform any term or provision of this Agreement for a period of fifteen (15) days after written notice thereof from another party shall constitute a default under this Agreement. If the default is of a nature which is not capable of being cured within fifteen (15) days, the cure shall be commenced within such period, and diligently pursued to completion. The notice shall specify the nature of the alleged default and the manner in which the default may be satisfactorily cured. In the event of a default hereunder by any party, the non-defaulting party shall be entitled to all remedies at both law and in equity, including, without limitation, termination, specific performance, and/or the right to perform the obligation(s) of which the defaulting party is in default and to immediately seek reimbursement from the defaulting party of all sums expended in order to cure such default, together with interest on all such sums from the date said sums are expended by the non-defaulting party for the purpose of curing the default to the date such sums are paid in full.

9. Conflict of Interest; Representatives Not Individually Liable.

A. Conflict of Interest. Pursuant to Arizona law, rules and regulations, no member, official or employee of either Provider or Billing Center shall have any personal interest, direct or indirect in this Agreement, nor shall any such member, official or employee participate in any decision relating this Agreement which affects his or her personal interest or the interest of any corporation, partnership or association in which he or she is, directly or indirectly, interested.

B. No Personal Liability. No member, official or employee of Provider or Billing Center shall be personally liable to either party to this agreement, or any successor or assignee, (a) in the event of any default or breach by either party, (b) for any amount which may become due to either party, or (c) pursuant to any obligation of either party under the terms of this Agreement.

10. Miscellaneous Provisions

A. Notices. All notices and communications provided for herein, or given in connection herewith, shall be validly made if in writing and delivered personally or sent by registered or certified United States Postal Service mail, return receipt requested, postage prepaid to:

If to San Luis: City Administrator  
P.O. Box 1170  
1090 East Union Street  
City, AZ 85349

If to Somerton: City Administrator  
P.O. Box 638  
110 North State Street

Provider, AZ 85350

or such other addresses as either party may from time to time designate in writing and deliver in a like manner. Any such change of address notice shall be given at least ten (10) days before the date on which the change is to become effective. Notices given by mail shall be deemed delivered 72 hours following deposit in the United States Postal Service in the manner set forth above.

B. Waiver. No delay in exercising any right or remedy shall constitute a waiver thereof, and no waiver by the parties of the breach of any provision of this Agreement shall be construed as a waiver of any preceding or succeeding breach of the same or of any other provision of this Agreement.

C. Headings. The descriptive headings of the paragraphs of this Agreement are inserted for convenience only, and shall not control or affect the meaning or construction of any of the provisions of the Agreement.

D. Authority. The undersigned represent to each other that they have full power and authority to enter into this Agreement, and that all necessary actions have been taken to give full force and effect to this Agreement.

E. Compliance with A.R.S. § 23-214. A.R.S. §23-214 imposes requirements upon employers to verify the employment eligibility of all of its employees as set forth in that statute and its related definitions. Both parties hereby represent that they are in compliance with said law and will continue to be in compliance. By signing below, each represents and warrants that they are in full compliance with all federal, state, and local laws, rules, and regulations regarding employment eligibility of all its employees, including use of the requirements of A.R.S. § 23-214, and they shall remain in compliance during the term of this agreement.

F. Entire Agreement. This Agreement, including the following exhibits, constitutes the entire agreement between the parties.

G. Amendment of the Agreement. This Agreement may be amended, in whole or in part, only with the mutual written consent of the parties to this Agreement or by their successor in interest or assigns. The parties shall record the amendment or cancellation in the official records of the Yuma County Recorder. Any future agreements, accords, covenants, extensions, amendments, contracts, or instruments shall be subject to approval of the Arizona Department of Health Services prior to implementation as may be provided by law.

H. Severability. If any other provision of the Agreement is declared void or unenforceable, such provision shall be severed from this Agreement, which shall otherwise remain in full force and effect.

I. Governing Law. The laws of the State of Arizona shall govern the interpretation and enforcement of this Agreement. The parties agree that venue for any action

commenced in connection with this Agreement shall be proper only in a court of competent jurisdiction located in Yuma County, Arizona, and the parties hereby waive any right to object to such venue. This agreement shall be subject to the provisions of A.R.S. §38-511.

J. Recordation of Agreement and Subsequent Amendment; Cancellation. This Agreement, and any amendment or cancellation of it shall be recorded in the official records of the Yuma County Recorder no later than ten (10) days after the parties execute such agreement amendment or cancellation. Any future agreements, accords, covenants, extensions, amendments, contracts, or instruments shall be subject to approval of the Arizona Department of Health Services prior to implementation as may be provided by law.

K. Attorney's Fees and Costs. If either party brings a legal action either because of a breach of this Agreement or to enforce a provision of this Agreement, the prevailing party will be entitled to reasonable attorney's fees and court costs.

L. No Third-Party Beneficiaries. There are no third-party beneficiaries to this Agreement, and no person or entity not a party hereto shall have any right or cause of action hereunder.

M. No Agency Created. Nothing contained in this Agreement shall create any partnership, joint venture, or agency relationship between the parties.

N. Non-Liability of Municipal Officials and Employees Except for mandamus and other special actions, no member, official or employee of either Provider or Billing Center shall be personally liable to either party, or any successor in interest, in the event of any default or breach by either party or for any amount that may become due to either party or successor, or under any obligation under the terms of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

THE CITY OF SAN LUIS, an Arizona  
Municipal Corporation

By:   
Mayor

Attest:

By:   
Clerk

THE CITY OF SOMERTON, an Arizona  
Municipal Corporation

By:   
Mayor

Attest:

  
Clerk

APPROVAL BY ATTORNEY

I hereby state that I am an attorney for City of San Luis, State of Arizona, and pursuant to the provisions of A.R.S. 11-952(d) have determined that the above agreement is in proper form and is within the powers and authority granted to The City of City, Arizona under the laws of the State of Arizona.

Dated this 10 day of September <sup>KMM</sup> ~~200~~ 2015

Kay Marion Maciel  
for City Attorney

APPROVAL BY ATTORNEY

I hereby state that I am the attorney for the City of Somerton, State of Arizona, and pursuant to the provisions of A.R.S. 11-952(d) have determined that the above agreement is in proper form and is within the powers and authority granted to the City of Provider, Arizona under the laws of the State of Arizona.

Dated this 17 day of SEP. 200 15

[Signature]  
City Attorney

1 BEFORE THE DIRECTOR OF THE ARIZONA DEPARTMENT OF HEALTH SERVICES

2  
3 In the Matter of:

) Case No.: 2016-EMS-T0003-DHS  
) EMS No. 4039

4  
5 **City of San Luis dba**  
6 **City of San Luis Fire Department**

)  
)  
) DECISION-GRANTED UPON WAIVER-  
) ISSUE AN INITIAL CERTIFICATE OF  
) NECESSITY AND ESTABLISH INITIAL  
) GENERAL PUBLIC RATES

7 Applicant.  
8

9 WHEREAS, pursuant to an application filed on March 18, 2015, City of San Luis dba  
10 City of San Luis Fire Department ("Applicant") requests that the Arizona Department of Health  
11 Services ("Department") issue it an initial Certificate of Necessity ("C.O.N") to operate an  
12 ambulance service in the State of Arizona and establish initial general public rates for Advanced  
13 Life Support ("ALS") and Basic Life Support ("BLS") services in accordance with Arizona  
14 Revised Statutes ("A.R.S.") § 36-2233 and Arizona Administrative Code (A.A.C.") R9-25-902  
15 and R9-25-1101. The Applicant requests the authority to provide ALS and BLS services twenty-  
16 four hours per day, seven days per week.

17 The Department, acting through the Bureau of Emergency Medical Services and Trauma  
18 Systems ("BEMSTS"), is the agency within the State of Arizona empowered to administer a  
19 statewide system of emergency medical services, which includes the certification and regulation  
20 of all levels of emergency medical technicians and the certification and regulation of ambulance  
21 services in Arizona. The Department's authority to consider this application for an initial C.O.N.  
22 and initial general public rates is established under A.R.S. Title 36, Chapter 21.1 (A.R.S. §§ 36-  
23 2201-36-2264), and A.A.C. R9-25-901, *et. seq.* and A.A.C. R9-25-1101 *et seq.* Those statutes  
24 and regulations require that, before an Applicant can operate an ambulance service in Arizona, it  
25 must be granted a C.O.N. by the Director of the Department ("Director").

1           **WHEREAS**, pursuant to A.R.S. §§ 36-2232(A)(1) and (4) and § 36-2234(C) the Director  
2 may determine rates and charges for ambulance services, issue a certificate of necessity and  
3 waive the hearing required by A.R.S. § 36-2234(A) for such actions.

4           **WHEREAS**, notices of proposed action were properly transmitted and published as  
5 allowed by A.R.S. § 36-2234(C), and no timely request for hearing was received by 5:00 p.m.  
6 August 10, 2015.

7           Having considered the request and the record in the matter,

8           **THE DIRECTOR FINDS:**

9           A. Per A.A.C. R9-25-902, the Applicant submitted an application for an initial C.O.N.

10          B. Per A.A.C. R9-25-902(B), the Applicant applied for and is authorized to provide ALS  
11 and BLS services twenty-four hours per day, seven days per week.

12          C. The Applicant applied for and is approved to provide immediate response transports.

13          D. The Applicant did not apply for inter-facility and convalescent transports.

14          E. The Applicant requested and is approved for an initial C.O.N. for the following  
15 service area:

16                 The corporate boundaries of the City of San Luis not limited to a  
17 specific date including unincorporated islands within the municipal  
18 boundaries of the City of San Luis.

19          F. The Applicant's service area is currently covered by existing certificated ambulance  
20 providers, City of Somerton dba Somerton Fire Department C.O.N. No. 79 and  
21 Rural/Metro (Yuma) C.O.N. No. 65.

22          G. The Applicant requested and is approved for an initial C.O.N. with the following  
23 response times:

24                 1. Five (5) minutes on ninety (90) percent of all ambulance calls.

25                 2. Ten (10) minutes on ninety-five (95) percent of all ambulance calls.

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3. Twenty (20) minutes on ninety-nine (99) percent of all ambulance calls.

H. Per A.A.C. R9-25-902(A)(3)(g), the Applicant will not be offering ambulance subscription service contracts under A.R.S. §§ 36-2232(A)(1) and 36-2237(B).

I. The Applicant requested and is approved for the establishment of the following initial general public rates and charges.

Advanced Life Support Base Rate	\$1205.00
Basic Life Support Base Rate	\$1205.00
Mileage Rate (Per Loaded Patient Mile)	\$10.85
Standby - Waiting Charge (per hour)	NONE
Subscription Service	NONE
Disposable Supplies, Medical Supplies and medication, and oxygen related costs	Per A.R.S. § 36-2239(D) and A.A.C. R9-25-1109

J. The Applicant provided documents demonstrating that it is fit and proper in regard to its organizational expertise, integrity, fiscal competence and resources to provide the services proposed in the application. *See* A.R.S. §§ 36-2233(B)(3) and 36-2201(21).

K. The Applicant provided documents demonstrating that there is public necessity for the services proposed in the application and that such services would be in the public's best interest. *See* A.R.S. § 36-2233(B)(2) and A.A.C. R9-25-903.

L. The Applicant will begin, if it has not already done so, and will thereafter maintain participation in the collection and submittal of electronic patient care reports consistent with the BEMSTS' guidelines, clinical guidelines and best practices guidelines including AZ-PIERS, ST-Elevation Myocardial Infarction ("STEMI") program, EPIC-TBI, Premier EMS Agency Program ("PEAP") and Save Hearts in Arizona Registry & Education ("S.H.A.R.E.") programs.

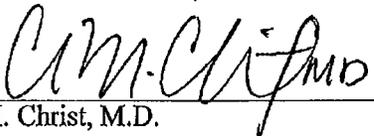
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M. The Applicant will have at least one (1) manager attend and participate in the following: the Arizona Emergency Medical Services Council, the Arizona's Western Regional Council (Arizona Emergency Medical System), and the Arizona Ambulance Association.

N. Details of the Applicant's request for an initial C.O.N. and the establishment of initial general public rates are open to the public and are contained in its application on file with the Clerk of the Department, Office of Administrative Counsel and Rules, Arizona Department of Health Services, 1740 West Adams, Suite 203, Phoenix, Arizona 85007.

**THEREFORE, IT IS HEREBY ORDERED GRANTING** the requested application to issue an initial Certificate of Necessity and to establish initial general public rates.

Dated this 2<sup>nd</sup> day of September, 2015

  
\_\_\_\_\_  
Cara M. Christ, M.D.  
Director

1 ORIGINAL filed on this 3<sup>rd</sup> day of September, 2015, with:  
2 15<sup>th</sup> day of July, 2015 with:

3 Clerk of the Department  
4 Arizona Department of Health Services  
5 1740 W. Adams, Room 203  
6 Phoenix, AZ 85007

7 A COPY of the foregoing sent by certified mail, return receipt requested  
8 this 3<sup>rd</sup> day of September, 2015 to:

9 Hank Green, Fire Chief  
10 CITY OF SAN LUIS dba  
11 CITY OF SAN LUIS FIRE DEPARTMENT  
12 1165 North McCain Avenue  
13 San Luis, Arizona 85349

14 COPIES of the foregoing sent by electronic/interdepartmental/regular mail  
15 this 3<sup>rd</sup> day of September, 2015 to:

16 Hank Green, Fire Chief  
17 CITY OF SAN LUIS dba  
18 CITY OF SAN LUIS FIRE DEPARTMENT  
19 1165 North McCain Avenue  
20 San Luis, Arizona 85349

21 Don Herrington, Assistant Director  
22 ADHS/Public Health Services  
23 150 N. 18<sup>th</sup> Ave., Suite 505  
24 Phoenix, AZ 85007

25 Todd Jaramillo, MHA  
Ambulance Services, Certification, & Enforcement Manager  
ADHS/Bureau of Emergency Medical Services & Trauma System  
150 N. 18<sup>th</sup> Avenue, Suite 540  
Phoenix, Arizona 85007-3248  
Telephone: (602) 364-3165  
FAX: (602) 364-3567

Kevin Ray, Patricia LaMagna,  
and Laura Flores  
Office of the Attorney General  
1275 West Washington  
Phoenix, Arizona 85007

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ORIGINAL filed on this 3<sup>rd</sup> day of September, 2015, with:

Clerk of the Department  
Arizona Department of Health Services  
1740 W. Adams, Room 203  
Phoenix, AZ 85007

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Phoenix, Arizona 85007-3248  
Telephone: (602) 364-3165  
FAX: (602) 364-3567

Kevin Ray, Patricia LaMagna,  
and Laura Flores  
Office of the Attorney General  
1275 West Washington  
Phoenix, Arizona 85007

1 Debbie Johnson, Director, Vice President, Advocacy  
2 Arizona Hospital and Healthcare Association  
3 2800 N. Central Avenue, Suite 1450  
4 Phoenix, AZ 85004-1051

4 Victoria Burns  
5 AHCCCS, MD 6600  
6 P.O. Box 25520  
7 Phoenix, AZ 85002

6 John P. Karolzak, Vice President of Operations-Arizona  
7 RURAL/METRO CORP. (YUMA)  
8 222 E. Main Street  
9 Mesa, Arizona 85201

9 Glenn Kasprzyk, General Manager  
10 AMERICAN MEDICAL RESPONSE OF  
11 MARICOPA, LLC  
12 1099 W. Iron Springs Rd.  
13 Prescott, AZ 86305

12 Paul De Anda, Fire Chief  
13 City of Somerton dba  
14 SOMERTON FIRE DEPARTMENT  
15 P.O. Box 638  
16 Somerton, AZ 85350

15 Steve Irr, Fire Chief  
16 City of Yuma dba  
17 CITY OF YUMA FIRE DEPARTMENT  
18 One City Plaza  
19 Yuma, AZ 85364-1436

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