

AGENDA



Thursday, April 23, 2009

**Management Services
RECOMMENDATION FOR COUNCIL ACTION****Item No. 30**

Subject: Authorize negotiation and execution of an Interlocal Agreement for Close-Out and Post-Transition Services between the City and the Travis County Healthcare District (District) related to financial, employment and service issues following the transfer of the City's federally qualified health center (FQHC) designation and grant to the District, for a term of one year beginning on March 1, 2009, with options to renew the agreement for up to four additional one-year terms, in an amount not to exceed \$28,700. Related to Items #23, 27 & 28.

On May 15, 2004, Travis County voters approved the creation of the Travis County Healthcare District (District), and members of the District's Board of Managers were appointed and qualified on August 2, 2004.

Upon creation, the District became responsible for funding and providing health care to indigent and needy residents of Travis County. The City, through its Community Care Services Department, operated and staffed the community health clinics on behalf of the District under an interlocal agreement that became effective on October 1, 2004. The parties amended and renewed the interlocal agreement eight times since 2004 (as amended and renewed, the Original Interlocal). The Original Interlocal expired on February 28, 2009, and the parties wish to address several financial and service transition issues.

The community health clinics are designated as federally qualified health centers by the U.S. Health Resources and Services Administration (HRSA) and receive significant federal grant funding and other benefits due to this designation. In the summer of 2007, following approval by City Council and the District's Board of Managers, the City and District jointly submitted an application to HRSA requesting that the City's FQHC designation and grant status for the health clinics be transferred to the District as of February 28, 2009. HRSA notified the parties on February 24, 2009, that the transfer has been approved.

On March 1, 2009, the District, now the holder of the FQHC designation, became responsible for managing and staffing the FQHC clinics. The purpose of this interlocal is to address certain financial, employee, and service issues during the post-transition period. In addition, the agreement authorizes the City to purchase certain information technology and telecommunications equipment from the District, and to sell certain used vehicles to the District.