

Resolution authorizing the City Manager or designee to execute an Interlocal Agreement to participate in My Texas Direct with other Texas local governments to provide for a physician panel for workers' compensation medical benefits as authorized by Chapter 504 of the Texas Labor Code, and provide for expenditures pursuant to said agreement in an amount of \$11.50 per medical bill, estimated to be \$39,433 per year

Now, therefore be it resolved by the City Council of the City of Corpus Christi, Texas, as follows:

1.

That the City Manager or his designee is authorized to execute the attached **Interlocal Agreement** to participate in My Texas Direct with other Texas local governments to contract for workers' compensation medical benefits as authorized by the Texas Labor Code.

2.

Expenditures are authorized pursuant to the aforementioned agreement in an amount not to exceed \$11.50 per medical bill, in a total estimated amount of \$39,433 per year.

3.

Amendments and modifications to this Interlocal agreement are authorized to the extent they do not require additional expenditures and are approved by the City Attorney. A copy of the Interlocal Agreement will be filed in the office of the City Secretary.

ATTEST:

CITY OF CORPUS CHRISTI

Rebecca Huerta
City Secretary

Nelda Martinez
Mayor

Corpus Christi, Texas

_____ of _____, _____

The above resolution was passed by the following vote:

Nelda Martinez _____

Rudy Garza _____

Chad Magill _____

Colleen McIntyre _____

Lillian Riojas _____

Lucy Rubio _____

Brian Rosas _____

Mark Scott _____

Carolyn Vaughn _____

My Texas Direct Interlocal Agreement

This Interlocal Agreement (the "Interlocal") and contract is entered into by and between the undersigned political subdivisions of the State of Texas (individually referred to as "Member" and collectively as "Members") for the purposes set forth below. The Interlocal is entered into under the Texas Interlocal Cooperation Act (Texas Government Code, Chapter 791).

1. RECITALS

- 1.1. Political subdivisions are authorized by §504.053 of the Texas Labor Code to provide workers' compensation medical benefits to injured workers by contracting directly with health care providers.
- 1.2. My Texas Direct is created herein by agreement of the undersigned governmental entities pursuant to Chapter 791 of the Texas Government Code to enhance the ability of the Members to contract directly with health care providers. My Texas Direct is a local government as defined in §791.003 of the Texas Government Code and performs certain governmental functions and services as defined in §791.003 of the Texas Government Code.
- 1.3. The governing body of the Member has determined that a workers' compensation health care network certified under Chapter 1305 of the Texas Insurance Code, is not available or practical for the Member and has decided to provide medical benefits to its injured employees by directly contracting with health care providers as allowed by §504.053 of the Texas Labor Code.
- 1.4. The governing body of the Member has agreed to the terms and conditions of this Agreement and has acted by majority vote, at a duly called and noticed public meeting, to authorize the execution of this Agreement.
- 1.5. My Texas Direct is not an insurance company or workers' compensation carrier and does not assume risk or liability for workers' compensation self-insurance risks attributable to its Members.
- 1.6. My Texas Direct provides administration services directly and through its contractors for the direct contracting, formal and professional peer review, and credentialing activities designed to establish a provider panel that will work to improve the quality of health care benefits available to the injured workers of its Members.

2. AGREEMENT

- 2.1. Creation of My Texas Direct. Pursuant to the provisions of the Texas Interlocal Cooperation Act (Texas Government Code, Chapter 791), the undersigned governmental entities hereby create an administrative agency to be known as My Texas Direct to assist the governmental entities in providing workers' compensation medical benefits in the most available and practical manner, considering access, cost, and quality, pursuant to and in accordance with Chapter 504 of the Texas Labor Code, including, but not limited to, Labor Code Section 504.053(d), as amended.

- 2.2. Not an insurer or carrier. My Texas Direct is not an insurer or a carrier for the purposes of the Insurance Code, Labor Code, or any other law of the State of Texas. All services provided by My Texas Direct shall be under the applicable laws of the State of Texas, including the Interlocal Cooperation Act (Chapter 791, Texas Government Code) and Chapter 504 of Title 5, Texas Labor Code.
- 2.3. Administrative Contract. My Texas Direct may enter into contracts for the administration and supervision of the Agreement and the operation of My Texas Direct.
- 2.4. Governing Documents. The operations of My Texas Direct shall be governed by the provisions of the Bylaws and this Agreement. If a conflict should arise between the two documents then the provisions of the Bylaws will control.
- 2.5. Board. My Texas Direct will be governed by a Board selected from its Members pursuant to the Bylaws. The Board will have the powers and duties necessary for the accomplishment of the purposes and goals of My Texas Direct, including but not limited to the items set forth in the Bylaws.
- 2.6. Member Contributions and Expenses. The Member will not incur any up-front costs or expenses for the initial formation and implementation of My Texas Direct as there is no cost associated with joining My Texas Direct or initial membership. Notwithstanding the foregoing, in the event that Member initiates access to My Texas Direct provider panel for its injured workers, then Member agrees to pay My Texas Direct for services provided in connection with the direct and indirect costs of My Texas Direct associated with the establishment of a provider panel that works to improve the quality of health care benefits available to the injured workers of Member. Contributions and expenses will apply to workers' compensation claims associated with Member's injured workers and will be allocated on an equitable basis as determined by the Board. Member contributions and expenses will cover the following:
 - 2.6.1. Direct provider contracting;
 - 2.6.2. Formal and professional peer review;
 - 2.6.3. Credentialing;
 - 2.6.4. Administrative services provided by outside, third parties;
 - 2.6.5. Establishment, coordination, and ongoing support for the Board and associated expenses;
 - 2.6.6. Management and staffing of My Texas Direct;
 - 2.6.7. Managed care services provided by/through My Texas Direct;
 - 2.6.8. Program development efforts;
 - 2.6.9. Reporting associated with TDI data calls; and
 - 2.6.10. Additional costs and expenses necessary for the proper administration of My Texas Direct as determined by the Board in accordance with the Bylaws.

- 2.7 Non-appropriation of Funds. The obligations of Member to make payments to My Texas Direct pursuant to this Agreement are subject to appropriation by Member of funds that are lawfully available to be applied for such purpose. If Member fails to make an appropriation for payments prior to the beginning of the term of the Agreement for the Member, Member may withdraw from this Agreement. Member may withdraw from this Agreement by providing written notice of such withdrawal in accordance with section 4.2 to My Texas Direct.

3. NO WAIVER OF IMMUNITY

- 3.1. The Members, by entering into the Agreement do not waive any immunity or damage limits provided by law to My Texas Direct, its Members, or their respective officers or employees. My Texas Direct and its Members expressly reserve their governmental immunity. No provision of this Agreement or any document governing My Texas Direct shall be construed to waive My Texas Direct's governmental immunity, or that of a Member.

4. TERMS AND CONDITIONS

- 4.1. Term. The term of the Agreement shall be for one year commencing at 12:01 a.m. on the date of execution of the Agreement by the Member and shall automatically renew from year to year until written notice of non-renewal is given as provided in Sections 4.2, 4.3, and 4.4 of the Agreement.
- 4.2. Withdrawal. A Member may withdraw from the Agreement by providing written notice of termination at least 180 days prior to the termination date. A Member that withdraws from the Agreement shall be liable for its share of any contribution, expense, or obligation under the Agreement until the end of the annual term.
- 4.3. Termination of Membership. If a Member fails or refuses to make payment of any contribution or expense required under the Agreement, the Board may terminate the Agreement with such Member by giving 10 days written notice and collect any contributions or expenses due prorata from such Member for the period preceding the termination.
- 4.4. Effect of Withdrawal or Termination. In the event a Member withdraws from or is terminated as provided herein, such withdrawal or termination shall not affect the validity or continuation of the Agreement for the remaining Members.
- 4.5. Dissolution. My Texas Direct may be dissolved at any time by a unanimous vote of the members of the Board. Furthermore, My Texas Direct shall be dissolved when there are fewer than two Members.
- 4.5.1. Upon dissolution, no part of the income or assets of My Texas Direct shall inure to the benefit of or be distributable to its directors, officers, Members, or private persons, except that My Texas Direct may pay reasonable compensation for services rendered and may make payments and distributions in furtherance of the purposes set forth herein. This section does not prevent the Board from reimbursing members of the Board for reasonable and necessary expenses connected with service on the Board.

- 4.5.2. Upon dissolution of My Texas Direct, the Board of Directors shall, after paying or making provision for the payment of all the liabilities of My Texas Direct, distribute all the assets of My Texas Direct to the then-current Members, which are political subdivisions of the State of Texas and who contributed to any remaining surplus pro rata in proportion to their annualized contributions.
- 4.6. Effect of Partial Invalidity; Venue. If any part of this Agreement is declared invalid, void or unenforceable, the remaining parts and provisions shall continue in full force and effect. Venue for any dispute arising out of or under this Agreement shall be in Travis County, Texas.
- 4.7. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, and which taken together shall constitute one and the same document.
- 4.8. Compliance with Bylaws. The Member acknowledges that it has received a copy of the Bylaws and does hereby concur with the establishment of My Texas Direct and agree to abide by the Bylaws and any amendments thereto.
- 4.9. Entire Agreement. This Agreement represents the entire agreement of the Members. Any supplemental agreements must be evidenced in writing, approved and executed in the same manner as this Agreement.
- 4.10. Severability. Should any part of this Agreement be invalidated or otherwise rendered null and void, the remainder of this Agreement shall remain in full force and effect.
- 4.11. Assignment. No Party may assign, sublet, subcontract or transfer any interest in this Agreement without the written consent of the other Party.
- 4.12. Notices. Any notice given pursuant to this Agreement shall be given in writing and delivered in person or by facsimile, email, overnight courier, or mail (Certified or Registered United States Mail), to the addresses set forth in the signature section of this Agreement.
- 4.13 Signatures. By execution of this Interlocal, the undersigned governmental entities shall be the initial members of My Texas Direct. Thereafter, upon compliance with the eligibility requirements for membership and approval of My Texas Direct, a party shall become a member effective the date of the party's acknowledgment and approval of the Interlocal by executing the Member Participation Agreement for My Texas Direct.

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EXECUTED by the individual Parties on the dates of their respective signatures.

Full Legal Name of Local Government: _____
By: _____
Printed Name of Person Signing: _____
Title of Person Signing: _____
Date Executed: _____, 201__
Address for Notice:
Printed Name: Attn. _____
Street Address _____
City, Texas, Zip Code _____

Full Legal Name of Local Government: _____
By: _____
Printed Name of Person Signing: _____
Title of Person Signing: _____
Date Executed: _____, 201__
Address for Notice:
Printed Name: Attn; _____
Street Address _____
City, Texas, Zip Code _____

Full Legal Name of Local Government: _____
By: _____
Printed Name of Person Signing: _____
Title of Person Signing: _____
Date Executed: _____, 201__
Address for Notice:
Printed Name: Attn. _____
Street Address _____
City, Texas, Zip Code _____