



Legislation Text

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City of Alexandria, Virginia

MEMORANDUM

DATE: MAY 17, 2022

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: JAMES F. PARAJON, CITY MANAGER /s/

DOCKET TITLE:

Consideration of the Release of \$490,575 in FY 2022 Contingent Reserve Funding to Fund the INOVA Hospital Contribution.

ISSUE: Consideration of the release of \$490,575 in FY 2022 Contingent Reserve Funding to fund the City's annual contribution to INOVA Hospital.

RECOMMENDATION: That the City Council release \$490,575 in FY 2022 Contingent Reserve funding for the INOVA Hospital contribution.

BACKGROUND: The City has provided a financial contribution to INOVA Hospital annually for decades. This contribution was formalized through a Memorandum of Agreement (MOA) between the City of Alexandria and INOVA Alexandria Hospital in 2017. This contribution of about \$1 million is used by INOVA to cover the cost of providing obstetric and prenatal care to women who are uninsured and underinsured and not able to cover the costs of this care. In the FY 2022 budget, half of the City's annual contribution was placed into contingent reserve (\$490,575). The FY 2023 budget maintains this approach with \$490,575 allocated directly to INOVA Alexandria Hospital and the remaining \$490,575 allocated in contingent reserves.

DISCUSSION: In the April of 2022, INOVA provided a report to the City Manager (attachment) summarizing the financial impact of uninsured or underinsured obstetric (OB) patients that received services from Inova Alexandria Hospital for 2021 compared to 2020. Details of these impacts are outlined in the attached report.

FISCAL IMPACT: The \$490,575 is currently held in FY 2022 contingent reserve for this purpose therefore there will be no additional impact to the City's operating budget.

ATTACHMENT: INOVA April 2022 Report to the City Manager

STAFF:

Emily A. Baker, Deputy City Manager
Meghan McGrane, Office of Management & Budget