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October 6, 2016

Dr. Sam Stratton, M.D.
EMS Medical Director, Orange County EMS
405 W. Fifth Street, 3rd Floor
Santa Ana, CA 92701

RE: Proposed New EMS Fees

Dear Dr. Stratton,

Thank you for the opportunity to offer comments on the proposed Trauma Center and other facility designation fees proposed by the Orange County EMS Agency (OCEMS). HASC appreciates the Agency's professionalism and transparency in review of the fees. Based on the current level of hospital subsidy to the EMS system, and the anticipated third party accreditation/certification and survey fee increases, HASC member hospitals are unable to support the rationale for additional fees as proposed by the OCEMS Agency.

While OCEMS serves as the local designation authority, its costs are tied to validating the certification work performed by third parties including the American College of Surgeons for Trauma Centers. The Joint Commission (TJC) and Det Norske Veritas (DNV) are Centers for Medicare and Medicaid Services (CMS) deeming agencies, and also serve as the accreditors for their respective designation of primary and comprehensive Stroke-Neurology Centers. EMS designation policy largely mirrors the TJC and DNV Comprehensive criteria. The rigorous regulatory national third party process subsequently renders OCEMS as the validator rather than the primary surveyor. The duplicative system of third party certification and local designation distinguishes Orange County as having the highest quality patient standards, while lowering OCEMS costs.

In addition to the fees paid to third party accreditation/certification entities, hospitals electing to become specialty centers make significant financial investments to maintain designation status. Any additional fees add to the cost of health care delivery. Orange County has 14 Cardiovascular Receiving Centers, 9 Stroke-Neurology Receiving Centers and 4 Trauma Receiving Centers.

Six of the 24 hospitals with Emergency Rooms (ERs) voluntarily serve as "Base" hospitals, whereby they coordinate the destinations for ALS pre-hospital transports. Per OCEMS Policy 610, Base Hospitals are required to provide 24/7 dedicated nurse and physician coverage which is excluded from the required nurse-patient ratios. The cost to serve as a Base is approximately \$250,000, excluding the Medical Director and ER

physician costs. For example, St. Jude Medical Center serves as the only Base in North County and has 11 trained nurses and 2 administrative staff. St. Jude Medical Center is one of six Base Hospitals.

The current level of County subsidy for the entire EMS system is approximately \$950,000, of which \$245,000 is attributable to hospitals. Conversely, Base Hospital coverage equates to a \$1.5M private subsidy to the EMS system. If OCEMS provided Base service for just three regions of the County, its minimum cost would be approximately \$750,000, excluding physician coverage. In a private delivery care model, allowing six Base hospitals to share geographic coverage is a tremendous benefit to the patients.

Again, the HASC member hospitals are unable to support any OCEMS designation fees in recognition of the current level of subsidy and third party fees already paid for quality designations. While HASC members recognize the need for OCEMS designation, there are a number of ways in which OCEMS could streamline the designation process to reduce costs and regulatory impacts on the hospitals that make these significant investments for specialty designations.

The hospitals have enjoyed the collaborative and supportive spirit of OCEMS and look forward to continuing dialogue around quality improvement and specialty facility designation. If I may be of assistance, please do not hesitate to contact me at (714) 663-0294.

Sincerely,



Whitney Ayers
Orange County Regional Vice President
HASC

CC: EMCC
Board of Supervisors
Hospital CEOs

**Orange County Board of Supervisors Directives
February 14, 2017 Board Meeting**

Agenda Item	Description
Emergency Medical Services Fee Resolution	Directed the Auditor-Controller in developing the 2020 fee study to coordinate and work with hospital representatives to quantify the hospital base station subsidy or credit. The base station subsidy analysis should consider hospital costs associated with unreimbursed care, care for Medi-Cal and Medicare patients, and care for patients without insurance.
Emergency Medical Services Fee Resolution	Directed staff to see how to streamline the process to reduce the hospital base station cost as part of the 2020 fee study.



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MARCH 7, 2017

TO: ORANGE COUNTY BASE HOSPITAL CHIEF EXECUTIVE OFFICERS
ORANGE COUNTY BASE HOSPITAL MEDICAL DIRECTORS
ORANGE COUNTY BASE HOSPITAL NURSE COORDINATORS

FROM: SAM J. STRATTON, MD, MPH
MEDICAL DIRECTOR, ORANGE COUNTY EMS

A handwritten signature in blue ink, appearing to be 'SJS', is written over the printed name and title of Sam J. Stratton.

SUBJECT: REQUEST FOR ONGOING BASE HOSPITAL OPERATION COMMITMENT

Currently, six of the 24 Emergency Receiving Center hospitals within the Orange County Emergency Medical Services (EMS) system voluntarily provide EMS Base Hospital support for the entire County. This type of model for Base Hospital support of EMS is standard in other California counties and has been in place in Orange County for more than four decades. The six Orange County Base Hospitals provide 24/7 on-line radio consultation and direction for the 1,000 paramedics responding to the emergency needs of Orange County residents and visitors who in 2016, accessed the 9-1-1 Emergency System more than 190,000 times. The expertise and contribution of Base Hospitals is valued by the EMS system because they provide important community services to sustain day-to-day emergency medical services and provide an important component for a medical response to disasters and public health emergencies.

At the February 14, 2017, Orange County Board of Supervisors meeting, Orange County Health Care Agency staff were directed "to see how to streamline the process to reduce the hospital base station cost as part of the 2020 fee study". Orange County EMS Agency (OCEMS) staff is seeking your input and suggestions to streamline and reduce costs.

In planning for future operations, it is important for OCEMS to determine which Base Hospitals are interested in continuing with this service and consider other hospitals that have expressed interest in becoming a Base Hospital. For this reason, please confirm your hospital's intent to continue or discontinue Base Hospital Operations during the next three years.

Please provide your response and any suggestions to Sam J. Stratton, MD at the letterhead address above or by email to sstratton@ochca.com.

SJS:st#2908