

## MEDICAL HEALTH SERVICES **EMERGENCY MEDICAL SERVICES**

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October 1, 2021

To:

From:

Subject:

Tammi McConnell, MSN, RN, EMS Director

PROPOSED EMFP PROPOSED EMERGENCY MEDICAL SERVICES PROVIDER FEES

This letter serves to advise you of the Orange County Health Care Agency's (HCA) proposed changes of Emergency Medical Services (OCEMS) provider fees. Attached is a summary that provides the background, methodology, current funding, community benefits and proposed fee table.

The OCEMS Division fees were last updated for Calendar Year 2017 to 2019, based on Board Resolution No.17-025. The Board also directed that on or about January 1, 2020, and each three years thereafter, the Auditor-Controller shall perform a cost recovery analysis for the division. HCA shall review and adjust the fee schedule based upon the Auditor-Controller's calculation of actual costs and return to the Board for consideration of the recommended fee schedule.

This issue is agenized for the October 8, 2021 meeting of the Emergency Medical Care Committee (EMCC) for discussion and recommendation to the Orange County Board of Supervisors. All written comments received on the proposed fees will be provided to the EMCC. In addition, you are welcome to attend the EMCC meeting and address this agenda item should you so desire. Any written comments should be directed to Eileen Endo (eendo@ochca.com), Orange County Emergency Medical Services, 405 W. Fifth Street, Suite 301A, Santa Ana, CA 92701 no later than November 1, 2021.

TM:ee#4120

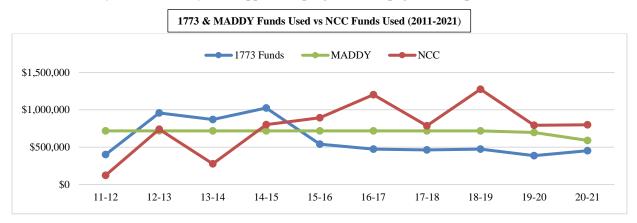
Attachment: HCA/EMS FY2021-22 Fee Study

In 1982, the Board of Supervisors designated the Health Care Agency (HCA) as the County Emergency Medical Services (EMS) Agency, pursuant to California Health and Safety Code Section 1797.200. The Code mandates EMS system responsibilities & also permits counties to offset or recover all or a portion of their costs. The concept of fully recovering costs and the frequency of fee studies are outlined within the County Accounting Manual. As such, each county agency is responsible for the management of its revenue and attaining full cost recovery by updating existing revenue rates with assistance of the Auditor Controller.

The fee study analyzed the services provided by the EMS Division to determine their specific cost. EMS staff workloads based on the type of service and number of hours spent per activity was calculated. The total EMS Division cost was divided by direct hours (fee related & non-fee related) to determine a comprehensive hourly rate for the Division. The use of this method assumes that indirect costs are proportionately rolled into the fees. This hourly rate was then applied to the time value for each individual fee category, to arrive at full cost recovery fees. Additionally, two positions dedicated to county designations of hospitals were added with all costs covered by the hospital industry. This decision was based on a report of the Trauma/EMS system that recommended the County include more positions to support the oversight & development of data systems to complement injury prevention initiatives.

The last fee study, approved by the Board, in 2017 included two directives, first, to "streamline base hospital costs" so that base hospital oversight costs would be borne by the system. As a result, these costs were incorporated into the hourly rate and therefore spread across all fees. Secondly, the Board directed that the Auditor-Controller conduct a cost recovery analysis in three years and Health Care Agency return in three years on or about 1/1/20 to the Board for consideration of the recommended fee schedule.

A fee adjustment is necessary to address increased operational costs related major system enhancements to improve patient care such as Trauma, Cardiac, Stroke, Children's specialty center designations (chart below) and decreasing ability to rely on EMSF funds (1773 (Richey)/SB12 (Maddy)) to support the program. See page 4 for explanation of each fund.



A multi-year fee update is proposed that includes an annual adjustment based on changes to CPI not to exceed actual cost. Further, a survey of similar local EMS agencies was conducted to compare fee structure and included the following LEMSAs: Inland Counties, Los Angeles, Riverside, San Diego, Santa Clara and Ventura.

As a result of the updated fee calculations, there are four new hospital fees recommended for those subsidies that have been ongoing but for which there have been no oversight fees. All of the proposed fees, scheduled to go into effect July 1, 2022 will be presented to the Emergency Medical Care Committee (EMCC) on October 8, 2021. EMS will request a letter of support from the EMCC & schedule a public hearing in January 2022 for Orange County Board of Supervisors consideration.

## **Hospital / Community / County Benefits from Fees**

<u>Trauma Receiving Center (Annual)</u> - Updated to recover the costs associated with a Trauma Nurse position dedicated to conduct ongoing development, implementation and evaluation of Trauma and EMS data systems; conducting a trauma center site visit with the American College of Surgeons (ACS) Verification Team; and ongoing oversight and monitoring of trauma system to ensure medical accountability. This has been an ongoing activity of the EMS Division since 1980 (OCEMS Policy #620.00).

#### **Community/Hospital Benefits**

- Assurance that trauma center has trained & capable personnel, adequate facilities, & has been peer-reviewed by experienced clinicians
- o Authorized to receive Trauma designated EMS transported patients; Regional higher level of care resource
- o Improved care, coordination, safety practices & clinical outcomes for severely injured prehospital patients
- o Triennial surveys to verify compliance w/ OCEMS Designation process & ACS Verification Program

<u>Mobile Intensive Care Nurse Certification (Biennial)</u> - Updated to recover the costs of developing and approving MICN course curriculum; conducting examination; verifying eligibility and authorizing Registered Nurses employed in Base Hospitals to conduct online medical control (OCEMS Policy #400.00).

## **Community/Hospital Benefits**

- Assures that Base Hospital has trained & capable registered nurses to issue medical orders to prehospital personnel
- O Direct interaction & performance improvement with ALS prehospital system to ensure medical accountability
- o Improved care, coordination, safety practices & clinical outcomes for severely injured prehospital patients
- Provide 24/7 online medical control thru direct radio communication with field paramedics

Emergency Receiving Center Designation (Annual) - Proposed to recover the costs associated with a new Data Analyst position dedicated to provide overall management of EMS/Trauma data and costs associated with the triennial designation process and site visit conducted as the cost of ongoing oversight and monitoring of quality and performance standards to ensure medical accountability. This has been an ongoing activity of the EMS Division since 1982 for which there has not been a fee (OCEMS Policy #600).

## **Community/Hospital Benefits**

- o Assurance that all hospital personnel who provide direct patient care in EDs are trained in ACLS
- o Authorized to receive EMS transported patients (catchment); Increased hospital revenue
- o Prehospital system engagement & collaboration, including the development of on/off line medical control
- o Triennial surveys of the ERCs to verify compliance w/ OCEMS P&P

Children's Emergency Receiving Center Designation (Annual) - Proposed to recover the costs associated with a new Data Analyst position dedicated to provide overall management of EMS/Trauma data and costs associated with the triennial designation process and site visit conducted as the cost of ongoing oversight and monitoring of quality and performance standards to ensure medical accountability.. This designation indicates an enhanced level of pediatric emergency service. This has been an ongoing activity of the EMS Division since 2013 for which there has not been a fee (OCEMS Policy #680).

#### Community/Hospital Benefits

- o Authorized to receive pediatric designated patients(catchment); Increased hospital revenue
- o Designation protects the healthcare facilities investment in pediatric emergency and critical care programs
- o Ensures skill competencies for care of pediatric patient populations; Serves as recruitment and retention tool for staff
- o Improved care, coordination, safety practices and clinical outcomes for emergent & critically ill children

## Hospital / Community / County Benefits from Fees, cont'd

<u>Cardiac Receiving Center Designation</u> (Annual) - Proposed to recover the costs associated with a new Data Analyst position dedicated to provide overall management of EMS/Trauma data and costs associated with the triennial designation process and site visit conducted as the cost of ongoing oversight and monitoring of quality and performance standards to ensure medical accountability. The designation indicates an enhanced level of cardiovascular emergency service (especially in the early stages of heart attack & diagnosis). This has been an ongoing activity of the EMS Division since 2015 for which there has not been a fee (OCEMS Policy #630).

#### **Community/Hospital Benefits**

- Allow for early diagnostics and selective triage to CVRC for intervention for acute MI patients.
- o Authorized to receive CVRC designated EMS patients (catchment); Increased hospital revenue
- o Designation protects investment in cardiovascular interventional programs to treat for acute cardiac patients
- Improve clinical outcomes with geographically comparable facilities to benchmark performance

Stroke/Neurology Receiving Center Designation (Annual) - Proposed to recover the costs associated with a new Data Analyst position dedicated to provide overall management of EMS/Trauma data and costs associated with the triennial designation process and site visit conducted as the cost of ongoing oversight and monitoring of quality and performance standards to ensure medical accountability. The designation indicates an enhanced level of stroke neurology emergency service (especially in the early stages of stroke diagnosis and treatment) and as a result an improved outcome for patients (quality of care issue). This has been an ongoing activity of the EMS Division since 2009 for which there has not been a fee (OCEMS#650).

#### **Community/Hospital Benefits**

- O Authorized to receive SNRC designated EMS patients (catchment); Increased hospital revenue
- Designation protects the healthcare facilities investment in comprehensive stroke programs for acute stroke victims
- o Improve clinical outcomes with geographically comparable facilities to benchmark performance
- Stroke care has evolved from a disease dominated by neurological consultation services to one managed with complex pharmacological and mechanical interventional therapeutics; Complex stroke patients require advanced diagnostic imaging & treatment procedures by specially trained physicians and healthcare providers
- o Stroke center designations lead and maintain a system of care for cerebrovascular diseases meeting the needs of the acute stroke victim

## 2021/2022 Proposed Hospital Fee Revenue

	2	021		20	021/2022	County Subsidy if
Hospital Fees	Fee	Revenue Rec		Full Cost Recovery Fee	Revenue	Left at Current Fee (2021 Rev – 2020 Rev)
Trauma Designation	\$9,1851	\$12,2482		\$65,734	\$262,936	\$250,688
Mobile Intensive Care Nurse	\$108	\$8,640		\$144	\$11,520	\$2,880
Emergency Designation	\$0	\$0		\$16,664	\$416,600	\$416,600
Children's Designation	\$0	\$0		\$16,664	\$33,328	\$33,328
Cardiac Designation	\$0	\$0		\$16,464	\$214,032	\$214,032
Stroke/Neuro Designation	\$0	\$0		\$18,282	\$164,538	\$164,538
Total		\$20,888			\$1,102,954	\$1,082,066

<sup>&</sup>lt;sup>1</sup> Triennial

## **Trauma Receiving Center**

- From 2005 to 2016, OC Trauma Centers paid the county designation fee of \$22,339 every three years
- The ACS charge for a consultation fee per visit ranged from \$13,362 to \$19,000 and was paid by the County.
- In 2017 the ACS restructured their fees & Trauma Centers paid for the consultation directly
- This year, OCEMS is proposing an annual Trauma Center Designation fee to cover costs related to OCEMS oversight, monitoring and site visits by current staff and additional FTEs dedicated to trauma system data analysis and reporting.

## Orange County Receiving Center (Hospital) Designations & Annual Fees

Facility	Emergency	Trauma	Cardiac	Stroke	Children's	New Annual Fees
Anaheim Global Medical Center	X					\$16,664
Anaheim Regional Medical Center	X		X			\$33,128
Chapman Global Medical Center	X					\$16,664
Children's Hospital of Orange County*	Peds only	Peds Level II			X	\$99,062
Foothill Regional Hospital	X					\$16,664
Fountain Valley Regional Hospital	X		X	X		\$51,410
Garden Grove Hospital	X					\$16,664
Hoag Hospital Newport Beach*	X		X	X		\$51,410
Hoag Hospital Irvine	X		X			\$33,128
Huntington Beach Hospital*	X					\$16,664
Kaiser Permanente, Anaheim	X					\$16,664
Kaiser Permanente, Irvine	X					\$16,664
La Palma Intercommunity Hospital	X					\$16,664
Los Alamitos Medical Center	X		X	X		\$51,410
Mission Hospital, Mission Viejo*	X	Level II	X	X	X	\$133,808
Mission Hospital Laguna Beach	X					\$16,664
Orange Coast Memorial Med Center	X		X			\$33,128
Orange County Global Medical Center*	X	Level II	X	X		\$117,144
Placentia Linda Hospital	X					\$16,664
Saddleback Memorial Med Center, LH	X		X	X		\$51,410
South Coast Global Comm. Hospital	X					\$16,664
St. Joseph Hospital, Orange	X		X	X		\$51,410
St. Jude Medical Center*	X		X	X		\$51,410
UCI Medical Center*	X	Level I	X	X		\$117,144
West Anaheim Medical Center	X		X			\$33,128

<sup>\*</sup>Base Hospital

<sup>&</sup>lt;sup>2</sup> \$9,185/3=annual fee \$3,062 x 4 trauma centers= \$12,248

# Emergency Medical Services Fund (EMSF) Trauma Center Funding

In 1988, SB 12/612 established the requirement for counties to establish an Emergency Medical Services Fund (EMSF) in which was to be deposited a \$2 per \$10 assessment on certain fines and penalties. In 1988, the Orange County Board of Supervisors did establish such a Fund (referred to as the EMSF or Maddy Fund, the bill's author). SB 12/612 was codified under Health & Safety Code 1797.98a and requires that the funds be distributed as follows:

58% to Emergency Physicians 25% to Trauma Hospitals 17% to Emergency Medical Services

On September 30, 2006, the Governor approved SB 1773 which allows a county board of supervisors to levy <u>an additional</u> penalty in the amount of \$2 for every \$10. 100% of these funds will go into the EMSF in accordance with H&S code 1797.98a with an additional provision that 15% of these new funds are first to be used for pediatric trauma services. The provisions of SB 1773 were approved by the Orange County Board of Supervisors on December 18, 2007, effective February 1, 2008. The provisions of SB 1773 are in effect until January 1, 2027 unless extended by the legislature. The funds are deposited into County Trust Fund 13S and distribution of SB 1773 revenues are as follows:

15% Pediatric Trauma (trauma hospitals based on pediatric trauma runs)

85%: 58% Emergency Physicians

25% Trauma Hospitals

17% Emergency Medical Services

Of the money deposited into the fund and allocated to hospitals pursuant to Government Code 76000, \$125,000 is distributed to each Orange County trauma center during the fiscal year. The <a href="balance">balance</a> of the funds is distributed to these trauma centers plus Long Beach Memorial hospital due to its proximity to the Orange County border, based on the <a href="percentage of trauma all runs">percentage of trauma all runs</a> as reported in the Orange County Trauma Registry.

Of the money deposited into the fund pursuant to Government Code 76000.5, 15% of the funds are distributed to the Orange County trauma centers plus Long Beach Memorial hospital, based on the percentage of <u>pediatric trauma runs</u> as reported in the Orange County Trauma Registry. The remaining amount is then apportioned the physicians and surgeons, hospitals, and local EMS in accordance Health and Safety Code 1797.98a.(b)(5). Of this amount allocated to hospitals, it is distributed to the trauma hospitals based on their percentage of adult trauma runs as reported in the Orange County Trauma Registry.

	EMSF PROGRAM FY 2019-20 Payments										
	Payments Made with EMSF balance distribution after FY end	Payments made after the end of the FY		Payments made after the end of the FY	Payments made after the end of the FY		Total Payments for FY19-20	Total Year-End Payment for FY19-20 (Excluding Base payment)			
Hospitals	SB 12/612 Base Payments	SB 12/612 Payments	<b>Total</b> SB 12/612 Payments	<b>SB 1773 Funds</b> Trauma Payments	SB 1773 Funds Pediatric Payments	<b>Total</b> SB 1773 Payments		Total Payments across Maddy & SB1773 funds (excluding base payment)			
Amt Avail	\$ 500,000.00	\$ 564,178.31	\$ 1,064,178.31	\$ 569,303.49	\$ 402,012.95	\$ 971,316.44	\$ 2,035,494.75				
LB	\$ -	\$ 3,941.13	\$ 3,941.13	\$ 4,211.70	\$ 1,008.82	\$ 5,220.52	\$ 9,161.65	\$ 9,161.65			
CHOC	\$ 125,000	\$ 26,214.47	\$ 151,214.47	\$ 3,290.39	\$ 196,214.60	\$ 199,504.99	\$ 350,719.46	\$ 225,719.46			
MH	\$ 125,000	\$ 178,783.85	\$ 303,783.85	\$ 181,168.94	\$ 121,562.26	\$ 302,731.20	\$ 606,515.05	\$ 481,515.05			
UCI	\$ 125,000	\$ 242,797.31	\$ 367,797.31	\$ 258,361.52	\$ 70,617.08	\$ 328,978.60	\$ 696,775.91	\$ 571,775.91			
OCGlobal	\$ 125,000	\$ 112,441.55	\$ 237,441.55	\$ 122,270.94	\$ 12,610.19	\$ 134,881.13	\$ 372,322.68	\$ 247,322.68			
TOTALS	\$ 500,000.00	\$ 564,178.31	\$ 1,064,178.31	\$ 569,303.49	\$ 402,012.95	\$ 971,316.44	\$ 2,035,494.75				

# EMS Fee Table Current & Proposed

CURRENT FEE TITLE	Frequency	CURRENT	Frequency	PROPOSED							
Res. 17-025				Effective	\$ Increase	Effective	\$	\$ Effective	\$		
				7/1/2022		7/1/2023	Increase	1 7/2024	Increase		
Ambulance Company License	Annual	\$ 2,234	Annual	\$4,207	\$1,973	\$4,410	\$203	4 \$4,457	\$47		
Ambulance Company Unit Inspection/per vehicle	Aiiiuai	\$160	Aiiiuai	\$237	\$77	\$249	\$12	8 \$252	\$3		
Ambulance Company Unit Re-Inspection/per vehicle	Hourly	\$109	Hourly	\$140	\$31	\$146	\$6	\$148	\$2		
Ambulance Driver/Attendant License <sup>1</sup>	2	\$85	2	\$140	\$55	\$146	\$6	\$148	\$2		
EMT-1 Certification	2 years	\$125	2 years	\$125	\$0	\$125	\$0	\$125	\$0		
Card Replacement	Manialala	\$25	Variable	\$25	\$0	\$25	\$0	\$25	\$0		
Paramedic Accreditation	Variable	\$73	2 220000	\$74	\$1	\$78	\$4	\$79	\$1		
Mobile Intensive Care Nurse Application	2 years	\$108	2 years	\$144	\$36	\$151	\$7	\$153	\$2		
Trauma Receiving Center	3 years	\$9,185	Annual	\$65,734	\$62,672	\$68,900	\$3,166	\$69,635	\$735		
Continuing Education Provider Application		\$325		\$459	\$134	\$481	\$22	\$486	\$5		
EMT Training Program Application	4 years	\$923	4 220000	\$1,218	\$295	\$1,276	\$58	\$1,290	\$14		
Paramedic Training Program Application		\$932	4 years	\$1,083	\$151	\$1,135	\$52	\$1,147	\$12		
Interfacility Transport Service Provider Application	Annual	\$1,525		\$1,958	\$422	\$2,052	\$94	\$2,074	\$22		
Customized Data Report	Hourly	\$109	Hourly	\$140	\$31	\$146	\$6	\$148	\$2		
NEW FEES											
Emergency Receiving Center Designation				\$16,664	\$16,664	\$17,466	\$802	\$17,653	\$187		
Cardiac Receiving Center Designation	<b>1</b>	<b>#</b> 0		\$16,464	\$16,464	\$17,257	\$793	\$17,441	\$184		
Children's Receiving Center Designation	Annual	\$0	Annual	\$16,664	\$16,664	\$17,466	\$802	\$17,653	\$187		
Stroke Neurology Receiving Center Designation				\$18,282	\$18,282	\$19,162	\$880	\$19,367	\$205		

<sup>&</sup>lt;sup>1</sup> License expiration shall not exceed the individual's EMT certification expiration date

## The EMS FY21/22 Fee Study/Proposed Fees reflects a 35.14% increase (\$993,283) over CY2019 program cost

- The increase to achieve full cost recovery is due to:
  - o Adding 4 fees for service that have been on-going but for which no fees were charged
  - o Staffing, COLA, salary & employee benefit increases
  - o FTE positions increased from 15.41 to 15.55 included 2 staff added for Trauma System coordination and oversight
  - Ongoing maintenance for OC-MEDS (electronic prehospital record that is used by all EMTs, Paramedics & Hospitals)

<sup>&</sup>lt;sup>2</sup> Does not include State pass-through fees (\$75 initial; \$37 recertification)

<sup>&</sup>lt;sup>3</sup> Does not include American College of Surgeons & accommodation costs

## FY 2022 to 2024 Emergency Medical Services Fee Study EMS PROGRAM FEES - COMPARISON WITH OTHER LOCAL EMS AGENCIES

		Orange	County							
Type of Fee	Frequency	FY 21/22 Current Fees From EMS Program	FY 21/22 EMS Program Proposed Fee	Frequency	Inland Counties	Los Angeles	Riverside	San Diego	Santa Clara	Ventura
EMT Certification (local, does not include state fee)	2 yrs	\$125	\$125	2 yrs	\$70	\$85	\$25	\$63	\$50	\$57
Card Replacement	Variable	\$25	\$25	Variable	\$25	\$12	\$10	\$0	\$20	\$26
Ambulance Driver/Ambulance Attendant Card	2 yrs	\$85	\$140	2 yrs	\$0	\$0	\$75	\$0	\$0	\$0
Paramedic Accreditation	2 yrs	\$73	\$74	2 yrs	\$120	\$120	\$75	\$63	\$150	\$77
Mobile Intensive Care Nurse (MICN) Application	2 yrs	\$108	\$144	2 yrs	\$235	\$225	\$75	\$63	\$20	\$0
Continuing Education Provider Application	4 yrs	\$325	\$459	4 yrs	\$650	\$0	\$0	\$1,135	\$1,000	\$0
EMT Training Program Approval	4 yrs	\$923	\$1,218	4 yrs	\$1,500	\$0	\$0	\$0	\$1,000	\$472
Paramedic Training Program Approval	4 yrs	\$932	\$1,083	4 yrs	\$1,500	\$0	\$0	\$0	\$5,000	\$675
Ambulance Company License (ground & air)	Annual	\$2,234	\$4,207	Annual	\$2,000	\$4,846	\$3,000	\$3,185	\$6,064	\$0
Ambulance Unit Inspection/vehicle	Annual	\$160	\$237	Annual	\$400	\$374	\$250	\$335	\$1,047	\$0
Ambulance Unit Re-Inspection/vehicle	Per Hour									
Interfacility Transport Service Provider Application	Annual	\$1,525	\$1,958	Annual	\$0	\$4,846	\$6,000	\$483	\$6,615	\$0
Emergency Receiving Center Designation	3 yrs	\$0	\$16,664	Annual	\$0	\$0	\$0	\$0	\$11,025	\$0
Children's Receiving Center Designation	3 yrs	\$0	\$16,664	Annual	\$0	\$0	\$0	\$0	\$11,025	\$0
Trauma Receiving Center Designation	3 yrs	\$9,185	\$65,734	Annual	\$25,000	\$0	\$49,627	\$50,049	\$110,025	\$75,000
Cardiovascular Receiving Center Designation	3 yrs	\$0	\$16,464	Annual	\$17,445	\$11,692	\$33,084	\$0	\$11,025	\$0
Stroke Neurology Receiving Center Designation	3 yrs	\$0	\$18,282	Annual	\$19,045	\$7,196	\$20,678	\$0	\$11,025	\$0
Base Hospital Designation					\$5,000			\$25,000		
Customized Data Report (*no data from EMS)	Hourly	\$109	\$140							

<sup>\*</sup>Data provided by Jingle Doan at HCA, email dated 04/15/21

<sup>\*</sup>Santa Clara County included as it is more similar to Orange County EMS system

<sup>\*</sup>LA County subsidizes Trauma Centers thru Tax/Measure B Funding

<sup>\*</sup>Orange County proposed includes 2 FTEs dedicated to Trauma System Coordination & Data Analysis