Health Services
LOS ANGELES COUNTY

May 19, 2009

Los Angeles County
Board of Supervisors

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To improve health through leadership, service and education

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

APPROVAL OF EMERGENCY MEDICAL SERVICES APPROPRIATION STANDARD AGREEMENT FOR FISCAL YEAR 2008-09
(ALL DISTRICTS)
(3 VOTES)

SUBJECT

Request approval of the State of California Standard Agreement for an Emergency Medical Services Appropriation (EMSA).

IT IS RECOMMENDED THAT YOUR BOARD:

Approve and direct the Chairman of the Board of Supervisors to sign the attached EMSA Standard Agreement to accept $9.8 million for the reimbursement of uncompensated emergency medical services provided by non-County physicians during Fiscal Year (FY) 2008-09.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the recommendation will enable the County to receive EMSA funds for reimbursement of uncompensated emergency medical services provided by non-County physicians in FY 2008-09. These funds were made available through Assembly Bill (AB) 1183, which is intended to mitigate the crisis faced by emergency rooms throughout California because of insufficient funding to cover the cost of emergency medical services provided to uninsured and indigent patients. Receipt of the EMSA funds will enable the County to provide some financial relief to non-County employed emergency medical physicians in Los Angeles County, thereby helping to ensure the continued availability of emergency medical services.

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Implementation of Strategic Plan Goals

The recommended action supports Goal 4, Health and Mental Health, of the County's Strategic Plan.

FISCAL IMPACT/FINANCING

For FY 2008-09, the State allocated $9.8 million in EMSA funds to the County and the EMSA funding is included in Department of Health Services' (DHS) FY 2008-09 Final Budget. There is no additional net County cost required by this action.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Since FY 2000-01, your Board has approved EMSA agreements with the State.

On September 30, 2008, the Governor of California signed AB 1183, allocating Proposition 99 Tobacco Tax (Prop 99) funds to non-County emergency medical physicians to help alleviate the crisis confronted by emergency rooms throughout the State. Statewide, for FY 2008-09, the bill appropriated $24.8 million in Prop 99 funds from the Cigarette and Tobacco Products Surtax Fund through the California Healthcare for Indigents Program (CHIP) and the Rural Health Services (RHS) Program accounts to reimburse non-County physicians for uncompensated emergency services. EMSA is separate from the other CHIP and RHS Programs.

The EMSA Standard Agreement covers the period July 1, 2008 through June 30, 2009, and upon execution by the Chairman, the State will release payments.

The EMSA guidelines include funding conditions, reporting requirements, and time periods established by the California Department of Public Health as a condition of receiving EMSA funds.

County Counsel has reviewed and approved the EMSA Standard Agreement (Exhibit I) and as such, it does not include the County's required provisions.

CONTRACTING PROCESS

Not applicable.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

EMSA funds will help to ensure continued availability of emergency medical services in Los Angeles County.

CONCLUSION

When approved, DHS requires three signed copies of the Board's action.

Respectfully submitted,

John F. Schunhoff, Ph.D.
Interim Director

JFS: rf

Attachment

c: Chief Executive Officer
Acting County Counsel
Executive Officer, Board of Supervisors

EMSA BL

STANDARD AGREEMENT
EMERGENCY MEDICAL SERVICES APPROPRIATION (EMSA)
FISCAL YEAR 2008-09

County of Los Angeles

The State of California, by and through the California Department of Public Health (hereinafter called the "Department"), and the County of Los Angeles (hereinafter called the "County"), do hereby agree as follows:

This Standard Agreement (Agreement) is entered into pursuant to the provisions set forth in Assembly Bill (AB) 1183 (Chapter 758, Statutes of 2008). As a condition of receiving EMSA monies, the County agrees to all of the following:

I. GENERAL REQUIREMENTS

A. These monies are only for emergency services to patients who do not have health insurance coverage for emergency services and care, who cannot afford to pay for those services, and for whom payment will not be made through any private coverage or by any program funded in whole or in part by the federal Government, with the exception of claims submitted for reimbursement through Section 1011 of the federal Medicare Prescription Drug, Improvement and Modernization Act of 2003.
(W&I Code, Section 16952(f))

Any physician may be reimbursed for up to 50 percent of the amount claimed pursuant to W&I Code, Section 16955, for the initial cycle of reimbursements in a given year. All funds remaining at the end of the fiscal year shall be distributed proportionally, based on the dollar amount of claims submitted and paid to all physicians who submitted qualifying claims during that year. Funds shall not be disbursed in excess of the total amount of a qualified claim.
(W&I Code, Section 16952(i))

B. The monies shall not be used to reimburse physicians employed by county hospitals and physicians who provide services in a primary care clinic that receives funds from the Tobacco Tax and Health Protection Act of 1988.
(W&I Code, Section 16952(b)(1) & (2))

C. The monies shall be paid only to physicians who directly provide emergency medical services to patients, based on claims submitted or a subsequent reconciliation of claims. Payments shall be made as provided in Sections 16951 to 16959, inclusive, of the W&I Code, and payments shall be made on

an equitable basis, without preferential treatment and without a conflict of interest by favoring any particular facility, physician or group of physicians. (W&I Code, Section 16956(f))

D. Physicians shall be eligible to receive payment for patient care services provided by, or in conjunction with, a properly credentialed nurse practitioner or physician's assistant for care rendered under the direct supervision of a physician or surgeon who is present in the facility where the patient is being treated and who is available for immediate consultation. Payment shall be limited to those claims that are substantiated by a medical record and that have been reviewed and countersigned by the supervising physician and surgeon in accordance with regulations established for the supervision of nurse practitioners and physician assistants in California. (W&I Code, Section 16952(g))

E. A county shall adopt a fee schedule to establish a uniform, reasonable level of reimbursement from the Physician Services Account for reimbursable services. Schedules for payment shall provide for disbursement of funds periodically and at least quarterly. (W&I Code, Sections 16953.3(a) & 16956(b))

F. Payments shall be made only for emergency medical services provided on the calendar day on which emergency medical services are first provided and on the immediately following two calendar days. If it is necessary to transfer the patient to a second facility that provides for a higher level of care for the treatment of the emergency condition, reimbursement shall be available for services provided to the facility to which the patient was transferred on the calendar day of transfer and on the immediately following two calendar days. (W&I Code, Section 16956(g) & (h))

G. Accepting EMSA funds does not relieve the County of its obligation to provide indigent health care as required by W&I Code Section 17000. (W&I Code, Section 16995.1)

II. EXPENDITURE REQUIREMENTS

A. Hospital Services Account (HSA) and Physician Services Account (PSA) funds shall be transferred to the PSA in the County's Emergency Medical Services (EMS) Fund established pursuant to Sections 16951 and 16952 of the W&I Code, to reimburse physicians for uncompensated emergency services.

B. Use of EMSA funds is limited to reimbursement of physicians for losses incurred in providing uncompensated emergency services in general acute care hospitals providing basic, comprehensive, or standby emergency services. (W&I Code, Section 16953)

C. The monies shall only be used to reimburse physicians for emergency services rendered during FY 2008-09.

III. REPORTING REQUIREMENTS

A. Counties are required to submit one progress report due in November and one final report due in April of each calendar year of expenditures and physicians data in accordance with the instructions provided by the Department. In addition, counties that submit a Report of Actual Financial Data (Actual) must report the EMSA monies as an expenditure and revenue in the Actual.

B. Maintain all records and supporting documentation pertaining to the performance of this Agreement, including financial records of the expenditures and physicians data for at least three years after the end of FY 2008-09. These records will be subject to possible review and audit by the State.

C. Submit an annual report to the Legislature on April 15 concerning implementation and status of the PSA for the preceding fiscal year.
(W&I Code, Section 16952.1)

D. Indigent health care program demographic, expenditure, and utilization data shall be reported as specified by the Department in the Medically Indigent Care Reporting System (MICRS) no later than 360 days after the last day of the year to be reported. The Department may withhold the first month's payment if not submitted.
(W&I Code, Section 16915)

E. The Rural Health Services (RHS) Program counties are exempt from the MICRS reporting requirements.

IV. EMSA CONTRACT BACK PROGRAM

RHS counties may request to have the Department administer their EMSA HSA and/or PSA funds.
(W&I Code, Section 16809)

V. ADMINISTRATIVE COST

Cost of administering the account shall be reimbursed by the account based on actual administrative costs, not to exceed 10 percent of the amount of the account.
(W&I Code, Section 16952(d))

VI. INTEREST EARNINGS ON THE ACCOUNT

All interest earned on the account shall be accrued to the benefit of the account, and all accrued interest shall be expended for the same purposes as the other funds in the account.
(W&I Code, Section 16909(c)(1))

VII. PAYMENTS AND RECOUPMENT

A. EMSA monies shall be returned to the Department if they are not encumbered or expended within the fiscal year according to this Agreement and the requirements of Chapter 4 and 5 (commencing with Sections 16930 and 16940, respectively) of Part 4.7 of Division 9 of the W&I Code.

B. The Department may withhold payment of any funds if any of the reports and data required in Article III of this Agreement and Part 4.7 (commencing with Section 16900) of Division 9 of the W&I Code have not been received from the County by the required dates. Any funds withheld from the County pursuant to this Article shall be released upon receipt of the required reports by the Department.

C. Reductions in appropriations shall be prorated among the CHIP/RHS counties and the allocations shall be reduced accordingly upon notification by the Department.

VIII. CONTRACTUAL CONSIDERATIONS AND LIMITATIONS

A. The Department or County may terminate this Agreement upon 30 calendar days advance written notice to the other party. The notification shall state the effective date of termination.

B. Nothing in this Agreement shall be interpreted to require additional expenditures of County funds for health services beyond those required herein. Also, nothing in this Agreement shall be interpreted to relieve the County of its other obligations to provide health care services to its residents.

C. No amendment or variation of the terms of this Agreement shall be valid unless made in writing, signed by the parties and approved as required. No oral understanding or Agreement not incorporated in this Agreement is binding on any of the parties.

D. County agrees that the State and designated representatives shall have the right to review and to copy any records and supporting documentation pertaining to the performance of this Agreement. County agrees to allow the auditor(s) access to records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records.

E. This Agreement is governed by and shall be interpreted in accordance with the laws of the State of California.

F. In the event that any provision of this Agreement is unenforceable or held to be unenforceable, then the parties agree that all other provisions of this Agreement have force and effect and shall not be affected thereby.

IX. MAINTENANCE OF EFFORT CERTIFICATION

By signing this Agreement, the County certifies that they will, at a minimum, maintain a level of financial support of county funds for health services as specified in W&I Code, Sections 16990 et seq. This amount shall not include any county funds expended pursuant to W&I Code, Section 16809.3.

X. SIGNATURES

The County certifies that it has obtained authorization and approval for this Agreement from its Board of Supervisors by resolution, order, motion, or ordinance.

State of California	**County of** Los Angeles
Signature: _____	Signature: _____
Name: Nancy E. Hayward	Name: _____ (Please print or type.)
Title: Chief, Office of County Health Services	Title: _____
Date: _____	Date: _____

STANDARD AGREEMENT
EMSA MEDICAL SERVICES APPROPRIATION (EMSA)
FISCAL YEAR 2008-09
COUNTY OF LOS ANGELES

ATTEST: Sachi A. Hamai
Executive Officer-Clerk of
the Board of Supervisors

By:_____
Deputy

APPROVED AS TO FORM:

By: _____
Edward Morrissey
County Counsel

Date: 4/29/9

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