Health Services
LOS ANGELES COUNTY

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September 5, 2006

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

Dear Supervisors:

STANDARD AGREEMENT FOR EMERGENCY MEDICAL SERVICES APPROPRIATION (EMSA) FOR FISCAL YEAR 2005-06 (All Districts) (3 Votes)

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve and direct the Mayor of the Board of Supervisors to sign the attached EMSA Standard Agreement to accept funds in the amount of $9.8 million for the reimbursement of uncompensated emergency services provided by non-County physicians during Fiscal Year (FY) 2005-06.

2. Delegate authority to the Director and Chief Medical Officer to approve and sign any amendments to the FY 2005-06 EMSA Standard Agreement, upon review by County Counsel, and any other required EMSA reports or documents for the EMSA Standard Agreement and any amendments thereto.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS:

Execution of the EMSA Standard Agreement will enable the County to receive EMSA funds for reimbursement of uncompensated emergency services provided by non-County emergency medical physicians during FY 2005-06. These funds were made available through the passage of AB 131 legislation intended to mitigate the crisis in emergency medicine currently being faced by emergency rooms throughout California as a result of insufficient funding to cover the cost of emergency services provided to uninsured and indigent patients. Receipt of the EMSA funds will enable the County to provide some financial relief to emergency medical physicians in Los Angeles County, thereby helping to ensure the continued availability of emergency medical services.

Delegation of the authority to approve and sign any amendments to the FY 2005-06 EMSA Standard Agreements, and any other required reports or documents will enable more efficient and timely completion of such tasks.

FISCAL IMPACT/FINANCING:

For FY 2005-06, the State allocated a total of $9.8 million in EMSA funds to Los Angeles County. The anticipated EMSA revenue and corresponding expenditures were included in the FY 2005-06 Final Budget. There are no net County costs.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

On August 9, 2005, the California legislature enacted AB 131 which allocates Proposition 99 funds to non-County emergency medical physicians to help alleviate the growing crisis confronted by emergency rooms throughout the State as a result of inadequate funding to cover the cost of emergency services provided to uninsured and indigent populations. Statewide, for FY 2005-06, the bill appropriated $24.8 million in Proposition 99 Tobacco Tax 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.

Upon execution of the EMSA Standard Agreement, the State will release the annual allocation. The EMSA Standard Agreement covers the period July 1, 2005 through June 30, 2006.

Previous EMSA Agreements between the State and the County, which set forth requirements pursuant to State law, have remained substantially similar in their terms. The EMSA guidelines include funding conditions, reporting requirements, and time frames established by the California Department of Health Services as a condition of receiving EMSA funds.

County Counsel and the Chief Administrative Office have reviewed and approved the attached Standard Agreement for EMSA Funding for Fiscal Year 2005-06 and will be requested to review and approve all subsequent EMSA documents.

This Department requires original signatures of the Mayor of the Board of Supervisors on each of the two attached EMSA Agreements, and a Board Adopted copy of this Board letter delegating authority to the Director and Chief Medical Officer to approve and sign any amendments to the EMSA Standard Agreement, and any other required reports or documents for the FY 2005-06 program.

CONTRACTING PROCESS:

Not applicable.

IMPACT ON CURRENT SERVICES:

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

Respectfully submitted,

Bruce A. Chernof, M.D.
Director and Chief Medical Officer

BAC:mc

Attachments

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

ATTACHMENT A

SUMMARY OF AGREEMENT

1. TYPE OF SERVICES:

   The EMSA funds will be used for reimbursement of uncompensated emergency services provided by non-County emergency medical physicians and will help to ensure the continued access for indigent patients in the private sector.

2. AGENCY ADDRESS AND CONTACT PERSON:

   California Department of Health Services
   Office of County Health Services
   Attention: County Health Services Unit
   MS 5202, P.O. Box 997413
   Sacramento, CA 95899-7413
   Attention: Luis Camacho
   Telephone: (916) 552-8016

3. TERM:

   The EMSA Agreement covers the period of July 1, 2005 through June 30, 2006.

4. FINANCIAL INFORMATION:

   The State allocated a total of $9.8 million in EMSA funds to Los Angeles County.

5. PERSON ACCOUNTABLE FOR PROGRAM MONITORING:

   Not Applicable

6. GEOGRAPHIC AREA SERVED:

   All Districts.

7. APPROVALS:

Chief, Fiscal Services	Mark Corbet
County Counsel (approval as to form):	Edward Morrissey
CAO, Budget Analyst	Latisha Thompson

STANDARD AGREEMENT

EMERGENCY MEDICAL SERVICES APPROPRIATION (EMSA)

FISCAL YEAR 2005-06

County of Los Angeles

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

This Standard Agreement is entered into pursuant to the provisions set forth in Chapter 80, Statutes of 2005 (Assembly Bill 131). As a condition of receiving EMSA monies, the County agrees to all of the following:

I. Expenditure Requirements

A. Use the Hospital Services Account (HSA), Physician Services Account (PSA) and Unallocated Account (UA) monies only for reimbursement of uncompensated emergency services as defined in Welfare and Institutions (W&I) Code, Section 16953.

B. Transfer HSA, PSA, and UA monies to the PSA in the County's Emergency Medical Services (EMS) fund to reimburse physicians for uncompensated emergency services per W&I Code, Sections 16951 and 16952.

C. Reimburse physicians for emergency services rendered during FY 2005-06.

II. Reporting Requirements

A. Submit one progress report and one final report 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, and report indigent data in their Medically Indigent Care Reporting System (MICRS).

B. Maintain financial records of the expenditures and physicians data for at least three years after the end of FY 2005-06. These records will be subject to possible review and audit by the State.

III. General Requirements

A. These monies are only for emergency services to patients 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. No physician shall be reimbursed more than 50 percent of losses.

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.

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 preference to any particular physician or group of physicians.

IV. EMSA Contract Back Program (Rural Health Services Counties only)

RHS counties may ask the Department to administer their EMSA HSA and/or PSA/UA.

V. Administrative Cost

Cost of administering HSA and PSA/UA funds shall not exceed ten (10) percent of the total EMSA monies in each account.

VI. Recoupment

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

THIS AGREEMENT FOR FUNDING HAS BEEN APPROVED BY THE BOARD OF SUPERVISORS AND IS HEREBY EXECUTED.

State of California	**County**
Signature: _____	Signature: _____
Name: Gregory A. Franklin, M.H.A.	Name: _____ (Please print or type.)
Title: Deputy Director, Health Information and Strategic Planning Division	Title: _____
Date: _____	Date: _____