

**Solano Emergency Medical Services Cooperative (SEMSC)
Special Meeting Minutes
December 10, 2020; 9:00AM – 12:00 PM
via WebEx**

BOARD MEMBERS

- Birgitta Corsello, Chair, SEMSC Board
- Joshua Chadwick, Fire Chiefs Representative
- Caesar Djavaheerian, Physicians' Forum Representative
- Greg Folsom, City Managers Representative
- Thea Giboney, Medical Professional Representative
- John Jansen, Healthcare Consumer Representative
- David Piccinati, Medical Professional Representative

STAFF

- Ted Selby, EMS Administrator
- Bryn Mumma, EMS Medical Director
- Bela Matyas, Public Health Officer
- Rachelle Canones, Administrative Secretary
- Rebecca Cronk, EMS Specialty Care Supervisor
- Keith Erickson, EMS Coordinator
- Benjamin Gammon, EMS Coordinator
- Colleen Hogan, Health Education Specialist

AGENDA ITEMS	DISCUSSION	ACTION	RESPONSIBLE
1. <u>Call to Order</u>		(none)	
2. <u>Roll Call</u>	Meeting called to order with a quorum present. Board Member Piccinati was absent;		
3. <u>Approval of the Agenda</u>	<p>Board Member Chadwick moved to approve the special meeting minutes. Board Member Jansen seconded.</p> <p><u>Roll Call Vote:</u> John Jansen – AYE Joshua Chadwick – AYE Caesar Djavaheerian – AYE Greg Folsom – AYE Thea Giboney – AYE Birgitta Corsello – AYE David Piccinati – (Absent)</p> <p>Agenda is approved.</p>		

<p>4. <u>Approval of the Minutes of October 8, 2020 Regular Meeting</u></p>	<p>Board Member Folsom moved to approve the agenda. Board Member Chadwick seconded.</p> <p><u>Roll Call Vote:</u> John Jansen – AYE Joshua Chadwick – AYE Caesar Djavaherian – AYE Greg Folsom – AYE Thea Giboney – AYE Birgitta Corsello – AYE David Piccinati – (Absent)</p> <p>The Minutes from the Regular Board Meeting on October 8, 2020 is approved.</p>		
<p>5. <u>Consider Approval of Rate Increase for Medic ALS Ambulance Services</u></p> <p>a. Staff presentation of proposals regarding amount of increase in ALS ambulance fees and timeline for implementation.</p>	<p>a. The EMS Administrator stated that EMS staff met and conferred with the affected stakeholders; as a result of these meetings, a proposed four-step graduated payment model was developed by staff.</p> <p>Mr. Selby also pointed out that in response to the Board’s direction at the October meeting, Medic Ambulance submitted a revised request offering graduated payments as well. The letter and Medic’s proposed rate increase option schedules are included in the meeting packet. Medic proposed three options which are included in the staff report, and varies from a one-time increase to a three-year graduated plan. The one-time increase is the same one presented in October, which was not adopted by the Board.</p>		

<p>b. Public Comments</p>	<p>Medic’s recommended option is a three-year, graduated payment, with increases scheduled on January 1st, 2021, 2022 and 2023. It was noted that this model incorporates medical consumer price index (CPI) increases in the calculations.</p> <p>The staff developed model is to adopt a four-year graduated payment increase, which is very similar to Medic’s proposal, with the only difference being the increase in 2021 is split, in two with the initial increase imposed on January 1, 2021, and the second increase on July 1, 2021. The subsequent increases will be January 1, 2022 and 2023.</p> <p>Mr. Selby further pointed out that there was no opposition to the proposed mileage rate modification from \$40.51 to \$48.51.</p> <p>b. Rebecca Rozen, Regional Vice Present of the Hospital Council of the East Bay – Ms. Rozen thanked Mr. Selby and EMS staff for communicating with all the stakeholders, including the hospitals. Ms. Rozen expressed support for the four-step graduated payment outlined by staff, as it recognizes the need for a phased-in increase, as directed by the Board, as well as the need to increase ALS ambulance rates to be in alignment with neighboring counties.</p> <p>Ms. Rozen added that the two-step increase during the first year will help hospitals greatly, with most going through their second surge of COVID-19, which is affecting both hospitals and ambulance providers financially as well.</p> <p>Mr. James Pierson, President and Chief Operating Officer of Medic Ambulance – Mr. Pierson thanked the EMS Administrator for the collaboration with the fire agencies and all other stakeholders. It was added that while they do not agree that hospitals should have a say in the ambulance providers’ rate setting, they do agree that there should be collaboration and communication between all EMS stakeholders. Mr. Pierson also thanked the Board for convening a special meeting to get a resolution on the rate increase.</p>		
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<p>c. Board Discussion</p>	<p>Mr. Selby added that NorthBay Healthcare had submitted a letter of support for the staff proposal as well, and this letter was distributed to the Board.</p> <p>c. Board Member Chadwick thanked Mr. Selby and EMS staff for organizing the Special Meeting quickly and reaching out to all the stakeholders. However, Board Member Chadwick expressed disagreement with who the stakeholders are in this case; as well as with the concept of dictating what rates a provider should charge, particularly in the case of hospital providers who have millions in annual revenues.</p> <p>A question was also raised as to why the staff proposal is five percent (5%) less than Medic's proposal. Board Member Chadwick proposed adjusting the increase in years two and three to 17.5% so that the total increase would be the same as what Medic has requested and recommended in their most recent letter.</p> <p>Board Member Jansen requested clarification on the percentages on the proposal from last meeting, compared to the staff recommendation. Mr. Selby explained that the original request from Medic was 42 ½% rounded up to 43% or a \$705 increase in the ALS base rate. The staff recommendation is based on the numbers discussed with the stakeholders after the last Board Meeting. It was added that Board Member Chadwick's comment is correct, and that Medic's current request is for a total of 60% increase, and increasing the percentage by 2 ½% in 2022 and 2023 would meet the request of Medic Ambulance of 60%.</p> <p>Board Member Jansen further inquired as to whether the increase ends up being higher due to compaction, since it is now being broken down into graduated payments, and what the difference would look like. Mr. Selby agreed that this is correct, and that there would be about a three percent (3%) difference (\$85) due to compaction.</p>		
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	<p>Board Member Jansen also asked what the average medical CPI has been in the last three to five years. Mr. Selby explained that in the last six years, medical CPI has ranged between one to six percent (1% to 6%) per year, based on staff research.</p> <p>Board Member Giboney thanked EMS staff for including information on medical CPI in the meeting packets, particularly how the rates would have progressed in the last six years, had the medical CPI increases been applied annually. Board Member Giboney also inquired as to the rationale behind incorporating projected medical CPI increases to the proposed graduated payments versus applying the medical CPI annually as they become known as it varies. Adding that the first three steps in the four-step increase proposed by staff, will result in an increase exceeding what was originally requested by Medic, in 2022, and suggested if it would be feasible to just apply the actual medical CPI on an annual basis, as they occur moving forward from 2022.</p> <p>Board Chair Corsello asked if there were any further comments or discussions, as Board Member Chadwick and Board Member Giboney both put forward different concepts, in relation to the staff recommendation.</p> <p>Board Member Folsom requested Board Member Chadwick explain his proposal again. Board Member Chadwick explained that Medic's original request was a one-time 43% increase, and if the rate increase is spread out or phased in whether in two or three or four steps, there is a significant loss in revenue, even with the 3% increase in the end, it does not make up for the lost revenue in the beginning, if you consider the difference between 43% and 15% the first year, for example. Based on this, and the percentages presented by Medic as Option 1 in their revised request, which adds up to 60% over three years. The staff proposal only totals 55% over four scheduled increases.</p>		
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	<p>Therefore, his proposal is to take the staff recommendation, and increase the percentage in 2022 and 2023 to 17 ½% so that it matches the percentages requested by Medic Ambulance.</p> <p>Board Member Folsom expressed support for this proposal, adding that while he appreciates that hospitals are having financial difficulties, cities are also experiencing some hardships. Fire departments, which are funded by the city form a significant portion of prehospital care. Suisun City has significantly increased their investment on their fire department by several million dollars to transition to ALS services, and noted that Suisun is not yet a part of the Public Private Partnership (PPP) agreement, and needs to be added to the PPP to help ensure continued funding for their ALS services.</p> <p>Board Chair Corsello, asked if anyone would like to make a motion, as there has yet been an action item proposed by any of the Board Members.</p> <p>Board Member Chadwick made a motion to adopt the staff proposed model with the modification that in year 2, January 2022, and year 3, January 2023, increases be modified from 15% to 17.5% for each of those two years. Board Member Folsom seconded.</p> <p>Board Chair Corsello inquired if there are any other comments from the Board or staff regarding this matter. Mr. Selby explained that the proposal by Board Member Chadwick makes the numbers match Medic's proposal.</p> <p>Board Member Giboney requested clarification on whether the various models proposed includes medical CPI. Mr. Selby confirmed that based on the letter received from Medic Ambulance, their proposed increase includes medical CPI. Board Chair Corsello further inquired if staff had information on what assumption was used for medical CPI in the proposal from Medic. It was explained that it assumed a medical CPI of 4.5% for three years.</p>		
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Board Member Djavaheerian inquired if there are any differences to service quality between the various models proposed. Dr. Matyas clarified whether the question had to do with the difference in service level of the proposed option by staff, and modified by Board Member Chadwick. Board Member Djavaheerian agreed, adding that since the difference in the Medic and staff proposals is low, he is trying to understand if there will be a difference in service quality of one model versus the other. Board Member Chadwick explained that he believes that the Board's job is to ensure that there is a quality, sustainable EMS system in Solano County, adding that in some counties, ambulance providers were on the verge of leaving as the rates were not enough to sustain services. Solano would be in a difficult position should Medic leave because the rates were not sustainable to continue operating in the County. This is a real risk of not keeping the rates appropriate; and could lead to the EMS system folding where no one is available to respond to 9-1-1 calls.

Board Chair Corsello called for a vote on the motion put forward by Board Member Chadwick:

Roll Call Vote:

John Jansen – AYE

Joshua Chadwick – AYE

Caesar Djavaheerian – AYE

Greg Folsom – AYE

Thea Giboney – AYE

Birgitta Corsello – AYE

David Piccinati – (Absent)

The motion to adopt the staff proposal with the modification to increase the rates to 17.5% in 2022 and 2023 is approved.

<p>6. <u>Board Comments:</u></p> <p>a. Chairperson</p> <p>b. Directors</p>	<p>a. Board Chair Corsello thanked the fire agencies, as well as the hospitals, and the EMS staff for working collaboratively. SEMSC is the only partnership in the State of California that is set up this way, and at times it is a challenge for everyone to come together on certain issues.</p> <p>b. Board Member Jansen commented that the EMS Dashboard posted on the website is user-friendly, shows a lot of information, and is a welcome move in the right direction.</p>		
<p>7. <u>Adjournment</u></p>	<p>Meeting adjourned to the next Regular Meeting on January 14, 2021.</p>	<p>(None)</p>	