EMERGENCY MEDICAL SERVICES AUTHORITY - A Public Trust
Regular Board of Trustees Meeting
Wednesday, October 23, 2013 – 1:00 p.m.
EMSA Corporate Offices
1111 Classen Dr., Oklahoma City, OK 73103
1417 N. Lansing Avenue, Tulsa, OK 74106

Minutes:

NOTICE AND AMENDED AGENDA for the Regular Meeting of the Board of Trustees of the Emergency Medical Services Authority, a Public Trust, was posted October 21, 2013 in the offices of the City Clerk of Oklahoma City at 4:27 p.m., and with the City of Tulsa on October 21, 2013 at 4:31 p.m., more than 24 hours prior to the time set for the meeting.

A quorum was present, and the meeting was called to order at 1:06 p.m. by Mr. Clay Bird.

TRUSTEES PRESENT

Mr. Clay Bird
Dr. Charles Foulks
Mr. Mark Joslin
Mr. Phil Lakin
Dr. Jim Rodgers
Mr. Larry McAtee
Mr. Larry Stevens
Dr. Ed Shadid
Dr. Jeff Goodloe

TRUSTEES ABSENT

Ms. Lillian Perryman (excused)
Mr. Joe Hodges (excused)

OTHERS PRESENT

Steve Williamson, EMSA
Kent Torrence, EMSA
Frank Gresh, EMSA
Angela Lehman, EMSA
Kelli Bruer, EMSA
Ann Laur, EMSA
Tracy Johnson, EMSA
Sara Bovaird, EMSA
John Peterson, Paramedics Plus
Joanne McNeil, Paramedics Plus
Lara O'Leary, Paramedics Plus
Jim Winham, Paramedics Plus
Randy Strozyk, AMR
Tina Wells, AMR
Sonny Geary, AMR
Jim Orbison, Riggs/Abney
Steve Turnbo, Schnake/Turnbo/Frank
Kris Cooper, Schnake/Turnbo/Frank
Kristen Hughes, McGladrey
Major James Blocker, OCFD
Brant Pitchford, City of Tulsa
Doug Dowler, City of OKC

Mr. Williams asked that we get started. We have a quorum. Before we get started, I would like to introduce Sara Bovaird. She will replacing Ann Laur who has been with us for fifteen (15) years. We are having a potluck for Ann on Friday and you are all welcome to attend. Joe Hodges will not be here as his father has passed away. Lillian Perryman will not be here either as she is sick in bed with the flu.

Also, I would like to thank Mark Joslin and Dr. Foulks, Dr. Goodloe and Councilor Lakin for really working hard on this process that we are trying to do. They walked the halls with the Council and tried to make some sense out of senselessness, and with some degree of success.

CONSENT AGENDA

1. **Approval of Board Minutes from the EMSA Regular Board of Trustees on September 25, 2013, at 1:00 p.m.**

   Upon Motion made by Dr. Charles Foulks and seconded by Mr. Phil Lakin, the Board of Trustees voted to approve the Board Minutes from the EMSA Regular Board Meeting of the Board of Trustees on September 25, 2013.

   AYE: Mr. Larry McAtee, Mr. Phil Lakin, Dr. Ed Shadid, Dr. Charles Foulks, Mr. Mark Joslin, Dr. Jim Rodgers, Mr. Larry Stevens and Mr. Clay Bird.

   NAY: None

   ABSENT: Ms. Lillian Perryman, Mr. Joe Hodges.

   The Motion passed.

2. **Approval of the President's request for ratification of his action approving additional funding of a position with the City of Tulsa. The position will investigate and monitor compliance to the City of Tulsa's ordinance as it relates to multi-family housing. This was discussed at length with the Management Review Office, and was listed as an item to complete. The salary, benefits and computer allowance will be $70.000.00 annually.**

Upon Motion made by Dr. Charles Foulks and seconded by Dr. Jim Rodgers, the Board of Trustees voted to approve the funding for a position with the City of Tulsa described above on October 23, 2013.

AYE: Chief Mark Joslin, Mr. Clay Bird, Dr. Jim Rodgers, Dr. Charles Foulks, Mr. Larry Stevens, Mr. Phil Lakin, Mr. Larry McAtee.

NAY: None

ABSENT: Ms. Lillian Perryman, Mr. Joe Hodges, Dr. Ed Shadid

The Motion passed.

REGULAR AGENDA

1. Chairman's Report

Mr. Clay Bird does not have a report today, but there are two presentations of the August financial statements for the year ended June 30, 2013.

Kristen Hughes,
McGladrey Auditor:

This is FY2013 Audit. We will go through a summary of what you are going to see in this Report. First, this report will define the generally accepted auditing standards we follow; arrangement letter with management re: management and board responsibilities; new accounting policies adopted by EMSA impacting the financial statements – EMSA did adopt GASB 65 this year and only impact in equity section of your financials previously referred to as net assets are now "net position".

Also, this document will summarize management's estimates – identifying balances or transactions or a piece of estimate involved by management. A big one for EMSA's financials would be the allowance that management goes through and determines against patient receivables on the balance sheet. We are going to make sure the procedures that management follows are reasonable.

Audit adjustments are also summarized, the main one is the grant expenditures – through the balance sheet we move those into the income statement to recognize expenditures that EMSA spent with federal grant money and then the revenue that they will be reimbursed for.

No disagreements with management and no consultations with other accountants. Really no significant issues or difficulties noted when we were going through audit.

Year over year things were pretty consistent. Net patient service revenue had gone up this year as well as grant funds received. The area with the biggest increase were the appropriations category, which represents the money that EMSA receives from the City of Tulsa. More requests were put in this fiscal year due to the new ordinance. Other than that, noncapital subsidies received from the cities decreased slightly as compared to prior years. Generally, revenue results were pretty consistent with prior year!!

Compared to the prior year, contracted services increased due to the contractual rate increase in the agreement with the provider. Salaries/wages went up probably $500,000 – the majority of that is the City employees are allowed to participate in OPEB (Other Post Employment Benefits) – retirees are allowed to stay on their health insurance plan. Previously we've had a pass out adjustment through the City, but their actuary goes through and determines the amount of the future obligation. They always do this by head count and a portion of that has always been allocated to EMSA – this year it is based on the number of employees. The liability for this year was approximately $350,000, which was a projected amount so retirees could be allowed to stay on.

Federal Grant money has been very consistent over the last couple of years. The first responder fee has dropped, and that agreement was actually terminated at the end of the year, so really an $.08 drop in this last fiscal year before that agreement.

The net position that EMSA has, about $19 Million, tells you where that's broken out. The total amount of EMSA net position is about $11 Million, which is invested back in capital assets like ambulances, etc.; then $8 Million of that equity is unrestricted for operating uses.

The Governing Auditing Standards address internal controls. There were no weaknesses or significant deficiencies noted, and also no compliance findings as far as violations. The second opinion addresses the work done over the federal grants. Again, no deficiencies or weaknesses or findings noted in how the grant money was handled.

There were only a couple of insignificant deficiency items – One is a staffing thing; segregation of duties, people with access to multiple things. EMSA does have reviews in place. And the other item was an error in the calculation of the contractual allowance, and that was adjusted and the financials reflect that.

The last thing in the financials under the new clarity standards would be the term "unmodified" versus "unqualified". At the end of the day though, it was a clean opinion. So in the financials, you will see a clean audit opinion represented in accordance with GAAP.

Mr. Lakin asked if the Financial Committee could remain shortly after the Board Meeting to have a short session with the auditor Kristen Hughes from McGladery. Ms. Hughes agreed.

Item #2: Approval of Presentation of Audited Financial Statements for the Year Ended June 30, 2013 by McGladrey, LLP.

Upon Motion made by Dr. Foulks and seconded by Dr. Rodgers, the Board of Trustees voted to approve the Audited Financial Statements for the Year Ended June 30, 2013, by McGladrey, LLP.

AYE: Mr. Larry Stevens, Dr. Charles Foulks, Dr. Ed Shadid, Mr. Larry McAtee, Dr. Jim Rodgers, Mr. Phil Lakin, Mr. Clay Bird and Chief Mark Joslin.

NAY: None

ABSENT: Ms. Lillian Perryman, Mr. Joe Hodges

The Motion Passed.

3. Chief Financial Officer's Report

Mr. Kent Torrence is presenting the financial results for the two months ended August, 2013. The highlights of the Eastern Division start with a YTD income of $309,000, compared to budget loss of $493,000. That is an $802,000 positive difference due exclusively to our utility fund. Revenue is higher than what was budgeted - that is something that fluctuates from month to month. That equalizes as we go throughout the year. Our collection rate is 37% versus our budget of 51%. Our billing is transitioning to the new ePCR system, causing us to be behind and therefore, our patient receipts are behind what we projected. We are expecting billing to be caught up by the end of November.

Mr. Williamson expounded on Mr. Torrence's report by informing the Board that we bought the new ePCR system and it goes through the cleanup by the contractor to make sure all proper information is audited. It then goes through pre-verification and then medical coding. We were dropping 300 claims a day, and are now back at 500 a day and we should see that revenue coming in. Everyone has done a great job of training, and the medics in the field have really gotten used to the new software. We are seeing a big turnaround.

Mr. Torrence then said that our emergency transports came out very close to our budget, 9 over budget or .1% and non-emergencies are 195 less than budget or 12.8%. Western Division highlights start with a YTD loss of $2,087,000 compared to a budgeted net loss of $2,009,000 – it's a $78,000 difference mainly due to the flood that occurred this year in OKC. We are expecting about $50,000 from FEMA in return for loss. Our collection rate is down – 41% versus a budget of 51% and emergency transports are slightly less than budget – 2.1% or 263, with non-emergencies quite a bit over budget 253 or 43%.

So far this year, the East is trending towards 63,200 emergency transports which we have seen since 2004; the same for the West trending towards 74,100 emergency transports, again since 2004.

Our aging receivables are pretty comparable to a year ago in the East and in the West. Past due accounts also very comparable to last year; Cash flow in the East is down because of the billing issues. Our operating expenses are right on our budget so far, and our capital expenditures are a little less than budget; I expect that we will equalize

throughout the year. For the first two months we've reported 1.2 Million less in cash of our projected budget.

In the Western Division, again receipts are down; our operating expenses are slightly higher than budget due to the flood. And the capital expenditures are a little less. Are there any questions regarding the results for the first two months of the year?

Mr. Bird thanked Mr. Torrence on his Reports.

4. Committee Reports and Recommendations

Mr. Bird states there are no reports or recommendations.

5. Award on Bid of Power Cot Loader and Cot Fastener System

Mr. Williamson said that an RFP response from Stryker has met all the qualifications. We want to put a heavy emphasis on this to see if it reduces the work comp and patient safety. It has in other places and we recommend approval. We will design the 6 month trial when AMR is here and it will be put throughout the system.

Mr. Stevens asked how we are going to pay for this $194,000.

Mr. Williamson replied that it would come out of the Eastern Division capital account. We will report the results to the Board.

Dr. Rodgers asked what these new ones will do for us.

Mr. Williamson replied that the issue of lifting the people – shoulder and neck injuries – workers comp is about $30-35,000 on each one. Besides automatically lifting the cot in the back, it also gets the patient in the back in a much more secure manner than any other system on the market. It also helps tremendously if the ambulance is in an accident. These things don't happen often, but they do happen and that makes this a tremendous safety/injury issue.

Mr. McAtee inquired as to when a patient gets to the hospital, when is it necessary for additional people to assist in unloading the patient?

Mr. Williamson said that these lifts lift up to 700 pounds. Getting a patient out is not as difficult due to the bottom rolling out when you roll the cot out. These new cots are automatically battery powered, and the cost is approximately $13,000; a real plus is that their battery constantly charges when it is in place.

John Peterson said that typically with any patient who is over 300 pounds, the crew may ask for additional assistance – approximately 5% of the time.

Mr. McAtee asked who is responsible for providing that aid, the hospital or transporter?

Mr. Williamson answered that there would be various answers – if at the hospital, the hospital or another EMSA crew at the hospital will help. At times, TFD is with us and will assist. Also, with Fire having utilization of their people, it would help alleviate anyone other than our crews to help us.

Dr. Foulks added that when people are engaged in a repetitive activity, over time even with "normal weight people" this action will cause back problems. This is not just a safety measure for patients, but a safety measure for our people. In my mind, this is a plus all the way around. If you see good benefits from this, I would hope that you don't wait six months to implement it. Cutting workman's comp is a real necessity and these repeated lifting's are very problematic.

Dr. Rodgers agreed with everything Dr. Foulks said, and he added that core exercise and strength training would help.

Item #5: Approval of Bid on Power Cot Loader and Cot Fastener System.

Upon Motion made by Dr. Rodgers and seconded by Dr. Foulks, the Board of Trustees voted to approve the Bid on Power Cot Loader and Cot Fastener System.

AYE: Dr. Jim Rodgers, Dr. Ed Shadid, Mr. Larry McAtee, Mr. Phil Lakin, Mr. Clay Bird, Chief Mark Joslin, Mr. Larry Stevens and Dr. Charles Foulks.

NAY: None

ABSENT: Ms. Lillian Perryman, Mr. Joe Hodges

The Motion Passed.

6. Approval of 8:59 Response Time Requirement and Related Rate Increase.

Mr. Williamson explained to all in attendance that he would like to spend the balance of their time at this Board Meeting discussing this issue. We are in the process of getting the ordinance changed like we did in OKC to the 10:59 response time. There have been numerous committee meetings with the Council, two attempts at the council meeting to approve it, and in the last meeting the fire union came in with concerns which were either inaccurate or posed as deception to the process. Fire has written a letter to council, which council wanted before tomorrow's meeting – so we have time to respond. All we are trying to do is what is evidence based and proven in other cities to give the best possible environment for the best possible outcome.

The rate increase at the beginning of the fiscal year was projected to be $2,000 per transport – We are now half way through the year and it takes 90 days for us to see the effects of the rate increase. Therefore, $2,700 would be the rate increase if they stick with 8:59. That would be what it would cost to pay our bills. There is no chance for us to acquire more funds for any other reason than this because when we achieve 10% excess cash over expenses, any excess is maintained in the City of Tulsa's rate stabilization fund. It is pretty obvious then that it is not a way to raise our bank account – it is merely to meet the need.

You can see in this packet that if we didn't have the rate increase just how soon we would have exhausted our funds. At the present, we have approximately one and a half million ($1,500,000); But without the rate increase you can see how quickly we go negative. We have not approved this rate and we need to today in case the City decides not to do what we think is prudent to do. This should be placed on the agenda so that we can start this as soon as possible November 1st. Further delay exacerbates the issues of being short.

Mr. Lakin agrees with all that Mr. Williamson said. The council was going to vote last Thursday but fire union made a presentation about many items that were not relevant. They don't have the data to back their claims. I don't know how the vote will come down – some are adamantly against and some are completely fine with it.

Mr. Williamson replies that we should go through the responses, the first one about their request for response times increasing over the year.

Mr. Lakin would like to make one amendment to the claim at the top of their letter. Are they suggesting that moving from 8:59 to 10:59 will increase call volume? Isn't that true if people actually call for assistance?

Dr. Goodloe answered that the volume for the TFD is dependent on the overall number of calls through 911, requesting specifically, medical assistance and/or fire department specific assistance. Call volume that is medical related in nature is dependent on how it is categorized within the approximately 1,200 categories that exist within the medical priority dispatch system. For a long time, TFD was actively going on all calls. Only over the last four years has there been call selectivity in Tulsa and less than that in OKC.

Specifically, serious hemorrhage is a call descriptor that gets attached to a number of different codes. They got the Fire Department on those; violent patient, we added the Fire Department on those for safety reasons – safety in numbers. Stroke care is a little different. Stroke symptoms for 12 or 16 hours are considered a priority two, not utilizing the Fire Department. But someone with stroke symptoms for an hour or two should be considered a medical emergency with lights and sirens and with fire backing up. Then we have a Charlie level call, like a building/structure collapsing with possibility of people trapped, we are going to send the fire department.

All recent changes that have been made are independent of ambulance response times. They are wholly on the categorization of the medical illness or injury that can be discerned based on caller information.

Mr. Lakin said his change would be: call volume only increases if and when people place calls for assistance, at which time EMSA and/or Fire respond. So this claim that they made as their number one argument is not accurate.

Dr. Foulks would say that it was the number of calls and the nature of those reported.

Mr. Lakin said that the caller is the one who initiates the number of calls and the nature of the calls, not the change in response time.

Dr. Goodloe stated that "a change in response time is not going to change the number or nature of 911 calls".

Mr. McAtee said he agreed and that we should answer exactly as Dr. Goodloe just did. Mr. Lakin, Mr. Bird and Dr. Rodgers all agreed.

On the second item of the Firefighters letter re: longer on-scene time, Mr. Williamson said that it is possible for those times TFD arrives before EMSA, that TFD will have a longer scene time. That is also why we are working with the medical director and the fire chief to track that – and I am strongly (emphasize strongly) going to work with this group to suggest that we have a better protocol on when they can leave.

Dr. Goodloe added that no one is accusing any EMT or medic – fire or EMSA based, of being derelict in their duty. We can though reduce our typical scene time. We have some fire based companies that are basic life support and it's not appropriate to have an EMT basic at (example): advanced cardiac illness – it would require a paramedic assessment in that situation. There are many instances where fire is on the scene getting appropriate patient assessments and the patient is not interested in any more care; the fire department is doing what we've asked of them – to stay on the scene until EMSA arrives and the EMSA personnel obtain that refusal. I think we can work collectively to allow refusals to be obtained by TFD, which not only free up ambulances but free up fire companies much faster.

Mr. Lakin also said that EMSA arrives first on the scene 37% of the time and in those instances, EMSA is the one waiting on fire. We are saying sometimes we must wait, and TFD is going to wait a little longer too. But how about all those times we arrive on average 2 minutes and 24 seconds earlier?

Mr. Williamson said this third item is an interesting one re: delayed responses to other emergencies. They are saying that these times don't affect the first patient but subsequent patients will pay a price. If that was the case, it would be happening now. That is the bottom line – the science behind the response time change is the science that supports that it is not injurious to the second patient.

Mr. Lakin added that EMSA's continuous response to multiple priority one and priority two calls is managed properly.

Mr. Williamson brought up the next issue and Dr. Shadid had a concern about the CAD to CAD interface – that's where they have interface with fire and transmit the information that we've received to fire. The KOCO report was like comparing apples to oranges. They were comparing the time it took to do all the calls on an average to what it took to do priority one calls on an average. OKC has a very stable system and they have had two studies that indicate that the non-emergency calls take longer to respond to than time sensitive calls.

Dr. Rodgers stated that OKC having already instituted the delay, the 2 minute delay is the most important thing about making his statement false.

Mr. Williamson goes to the next comment where they don't want to talk about the initial patient, but the second, third and fourth patients.

Dr. Foulks said he would consider saying this is false. The results of the OU study covered all patients – there was no increased mortality period, this has already been studied.

Mr. Lakin then added that fire endorsed the OU study and its recommendation for the 10:59 response time. Mr. Lakin asked them two more times and they said yes.

Next one Mr. Williamson added, the fire department's desire to design the system – it is ludicrous.

Dr. Foulks said that to ask for a study of this is extremely inappropriate because you will start randomizing patients to different response times. You are going to end up with a junk science. On the face of it, it is a ridiculous suggestion.

This is an inherently dangerous enterprise, and this is a thoughtful approach without compromising medical outcomes. It is a difficult practice of medicine in which to accurately and consistently measure outcomes across the spectrum of illness and injury – we have people in our care for such a short period of time. So we are going to continue to work at outcomes of the worst of the worst medical illness wise. We are going to continue towards the timeliness of trauma care.

Mr. Williamson continues with the next item about bids and commuter hours and how we are. He thanks Paramedics Plus and AMR for this transition which is going very well. AMR is increasing unit hours by several different methods. AMR is changing the work week from a 42 hour work week to a 48 hour work week. Additionally, due to the reductions of exclusions from the response time calculations, AMR is increasing unit hours to cover for this change. At this time it appears, according to AMR projects, unit hours will increase to 546 per week.

In this next paragraph, it is not any different than how other trusts operate. There are other lenders and citizens that agree to give of their time to study issues and give recommendations back to the council for approval. In this case, not only does that group have a tremendously important thing to do for the welfare, safety and healthcare of the community, but we also gave both of the options to the council to vote on. So they did get a chance to make a decision when they were given both options.

Mr. Bird comments that this Board has a wealth of EMS related experience, and there is not a physician on the council.

Dr. Goodloe said that the Medical Board of Specialties has absolutely declared that what we're doing here is a sub-specialty of the practice of medicine. This Board has decades of medical experience that should absolutely matter!!

Mr. Williamson goes on to the next one which inaccurately talks about the 10% profit cap, and like we said earlier, if there are funds rebated back, we can only hold those funds up to 10% of our annual expenses, at which time it goes back to the City created rate stabilization fund.

This last one is about the call and comments of the Tulsa World; that was when we dropped the $600,000 payment, it was a million, then was $600,000 because the City was in dire straits over that time period. We gave a million dollars plus buying the CAD at $7,000,000 over 5 years. We have been paying $350,000 a year for supplies as first responders. I think we have demonstrated our commitment to helping the City when needed.

Mr. Williamson then asked if anyone wants to approve the rates. If the council chooses 8:59 then approve the $2,700 effective November 1st? That would keep the utility fee stable.

Mr. Lakin agrees with Dr. Goodloe that it is not our decision – Our decision is to go with 10:59, to go with what we have talked about the last two months.

Dr. Foulks asks for a Motion to Adjourn and Mr. Bird seconds it.

Meeting is adjourned at 2:39 p.m.