EMERGENCY MEDICAL SERVICES AUTHORITY - A Public Trust
Regular Board of Trustees Meeting
Wednesday, January 22, 2014 – 1:00 p.m.
EMSA Corporate Offices
1111 Classen Dr., Oklahoma City, OK 73103
1417 N. Lansing Avenue, Tulsa, OK 74106

Minutes:

NOTICE AND AGENDA for the Regular Meeting of the Board of Trustees of the Emergency Medical Services Authority, a Public Trust, was posted January 17, 2014 at 3:50 p.m., in the offices of the City Clerk of Oklahoma City, and with the City of Tulsa on January 17, 2014 at 4:07 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 1:03 p.m. by Mr. Clay Bird.

TRUSTEES PRESENT

Mr. Clay Bird
Dr. Jeffrey Goodloe
Mr. Joe Hodges
Mr. Mark Joslin
Mr. Phil Lakin
Mr. Larry McAtee
Ms. Lillian Perryman
Dr. James Rodgers
Dr. Shadid

TRUSTEES ABSENT

Mr. Larry Stevens (Excused)

OTHERS PRESENT

Steve Williamson, EMSA
Kent Torrence, EMSA
Frank Gresh, EMSA
Angela Lehman, EMSA
Kelli Bruer, EMSA
Tracy Johnson, EMSA
Sara Bovaird, EMSA
Sonny Geary, AMR
Tina Wells, AMR
Joanne McNeil, AMR
Lara O'Leary, AMR
Jim Winham, AMR
Jim Orbison, Riggs/Abney
Hannah Jackson with Schnake Turbo/Frank
Major James Blocker, OCFD
Brant Pitchford, City of Tulsa
Doug Dowler, City of OKC

CONSENT AGENDA

1. Approval of Board Minutes from the Regular EMSA Board of Trustees Meeting on January 22, 2014 at 1:00 p.m.

UPON motion made by Mr. Bird and seconded by Mr. Lakin, the Board of Trustees voted to approve the Board Minutes from the Regular EMSA Board of Trustees Meeting dated January 22, 2014 at 1:00 p.m.

AYE: Mr. Larry McAtee, Mr. Phil Lakin, Ms. Lillian Perryman, Mr. Clay Bird, Chief Mark Joslin, Mr. Joe Hodges, Dr. Jim Rodgers

NAY: None

ABSENT: Dr. Ed Shadid
Mr. Larry Stevens

The Motion passed.

2. Approval of EMSA Board of Trustees Schedule of Meetings for 2014

UPON motion made by Mr. Bird and seconded by Chief Joslin, the Board of Trustees voted to approve the EMSA Board of Trustees Schedule of Meetings for 2014.

AYE: Mr. Clay Bird, Chief Mark Joslin, Mr. Joe Hodges, Dr. Jim Rodgers, Mr. Larry McAtee, Mr. Phil Lakin, Ms. Lillian Perryman

NAY: None

ABSENT: Dr. Ed Shadid
Mr. Larry Stevens

The Motion was passed.

REGULAR AGENDA

1. Chairman's Report

Mr. Bird would like to discuss a couple of matters. Phil Lakin and Clay Bird have set up meetings with Tulsa Fire Chief Ray Driskell and Steve Williamson, to meet once a quarter to go over issues that we might help facilitate and try to bring to some sort of conclusion. The first meeting was last week and had no major issues.

The next issue is the return of the CEO Evaluations – I am still waiting on Dr. Shadid, Mr. Hodges and Ms. Perryman. That concludes my report.

2. Chief Financial Officer's Report

Mr. Torrence said that he will be presenting the results for the first six months of the fiscal year. First, the Eastern Division – We have a year-to-date loss of $403,000 compared to a budgeted loss of $836,000. The positive difference of $433,000 can be attributed to the operating expenses being $326,000 less than what we had budgeted.

The second item – our collection rate is 45% versus a budget of 51%. That rate has been increasing – in September it was 38%, October was 43%, December 45%. I am expecting the rate to continue somewhere between 45% and 51%.

Emergency transports are less than budget by 3% or 1,014 transports and our non-emergency transports are less by 317 or 7%. Our transport volume is usually more in the second half of the year, so I expect those numbers – those differences will lessen as we continue throughout the next six months.

In the Western Division we have had a year-to-date net loss of $3.932 million, compared to the budgeted net loss of $4.641 million – difference of $709,000. Similar to the East, our operating expenses are less than what we had budgeted - $656,000 to be exact. West has a collection rate of 48% versus a budget of 51%. Again, that number has been increasing and I believe it will continue to increase.

Emergency transports are less than budget 4.8% or 1,790 transports and non-emergencies are more than budget by 57% or 1,016 transports.

Next is our historical graph of transport volume – East is slightly up in 2014 annualized. If we continue on this track, we will end up with 60,184 emergency transports, which would increase by 2.5% over last year. In the West we are actually tracking a little less than last year. I expect that by the end of the year, we would surpass last year by 1% to 2%.

Agings in the East are 5% better than a year ago. In the West, a small decline from last year.

Our actual dollar receivable or past due receivable balance is better than last year. In the East our receipts are down $1.1 million – with $600,000 of that being patient receipts. I expect that difference to decrease for the next six months as our volumes will increase, and patient receipts will follow.

Operating expenses are $700,000 less than what we had budgeted for, and our Capital expenses are $600,000 less, all due to the fact that our new ambulances had not gone through the first six months. They are starting to come in January – so that difference will decline starting in January. We are $200,000 better than what was budgeted to our cash balances in the East.

In the West, our patient receipts are $300,000 less than budgeted. Our Operating expenses are roughly around equal to our budget for the first six months. Capital expenses were $1 million less than budgeted due to timing of the fact that our ambulances comprise 70% of our capital budget. In the West, in December, the temporary cash needed debt borrowing has been paid off.

Mr. Torrence said that the next item is the approval of the 2014 budget. We had approved one in June, then a change in contractors in November. I have now prepared a recap of the originally approved budget and we will go over real quick. Originally we were going to need to increase our transport rate from $1,300 to $1,500, and then due to the new contract costs, that increase was no longer needed.

Originally, the ambulance contract was that they would increase due to the impact of the volume increase. We increased our volumes 2% - and in our original budget we put a rate increase of being 4% to 5%, but with this new contract, there is actually a decrease in our contractor expenses.

On to the medical supplies, where we originally budgeted a 2% increase in our volume, and then a price increase. Now, being that the new contractor is responsible for a considerable amount of the supplies, the medical supply number has declined. As you will see in our consolidated income statement, our net patient revenue went from $60,381,000 to $57,481,000, which reflects keeping our emergency rate at $1,300.

Mr. McAtee would like to know what the projection is as far as our cash position between now and the end of the fiscal year.

Mr. Torrence explained that you have two factors at play here – the lower contractor cost has a positive impact on the cash balances, but that is offset somewhat by the fact that we have not incurred our capital expenditures yet for this year. Those were postponed because our operating costs in the first half of the year were about $3.5 million per division, more than what we're experiencing in the second half. In the budget there are forecasts of our cash balances. I expect that if our patient receipts increase, we should hit the cash forecast.

Mr. McAtee wanted to make sure that we were not going to run out of cash by the end of the fiscal year.

Mr. Torrence said that we should be improving cash between now and the end of the year.

3. Approval of EMSA Revised Budget for Fiscal Year Ending 6/30/2014

Upon motion made by Mr. Bird and seconded by Mr. Lakin, the Board of Trustees voted to Approve EMSA's Revised Budget for Fiscal Year Ending June 30, 2014.

AYE: Dr. Jim Rodgers, Mr. Larry McAtee, Mr. Phil Lakin, Ms. Lillian Perryman, Mr. Clay Bird, Chief Mark Joslin, Mr. Joe Hodges.

NAY: None

ABSENT: Dr. Ed Shadid
Mr. Larry Stevens

The Motion was passed.

4. Approval of Amendment to EMSA Pension Plan

Mr. Williamson informed everyone that we are asking for a change to add to our pension plan to allow for personal directing of investments. There will be no cost to the authority, and there will be a $100 charge per year for those choosing to personally direct their investments. The staff is asking for approval of this option.

Upon motion made by Mr. Bird and seconded by Mr. Lakin, the Board of Trustees voted to Approve the Amendment to EMSA's Pension Plan.

AYE: Chief Mark Joslin, Mr. Joe Hodges, Dr. Jim Rodgers, Mr. Larry McAtee, Mr. Lakin, Ms. Lillian Perryman, Mr. Clay Bird.

NAY: None

ABSENT: Dr. Ed Shadid
Mr. Larry Stevens

The Motion was passed.

5. Committee Reports and Recommendations

a. Approval of the completion and return of the CEO's Evaluation to the Board Chair by January 10, 2014; thereafter, we will schedule annual CEO evaluations 60 to 90 days post the close of the year, which ends June 30th.

Upon motion made by Mr. Bird and seconded by Ms. Perryman, the Board of Trustees voted to Approve the completion and return of the CEO's Evaluation; and thereafter scheduling an annual CEO evaluation 60 to 90 days post the close of the year, which ends June 30th.

AYE: Ms. Lillian Perryman, Mr. Clay Bird, Dr. Ed Shadid, Chief Mark Joslin, Mr. Joe Hodges, Dr. Jim Rodgers, Mr. Larry McAtee, Mr. Phil Lakin.

NAY: None

ABSENT: Mr. Larry Stevens

The Motion was passed.

b. Approval of the staff's recommendations not to use the Formal Incentive Plan on the Patient Financial Services Department

Mr. Williamson stated that the Finance Committee recommended to accept the Staff's recommendation NOT to approve the incentive plan.

Upon motion made by Mr. McAtee and seconded by Mr. Hodges, the Board of Trustees voted to Approve the Staff's Recommendations NOT to use the Formal Incentive Plan on the Patient Financial Services Department.

AYE: Mr. Phil Lakin, Ms. Lillian Perryman, Dr. Jim Rodgers, Mr. Larry McAtee, Mr. Clay Bird, Dr. Ed Shadid, Chief Mark Joslin, Mr. Joe Hodges.

NAY: None

ABSENT: Mr. Larry Stevens

The Motion was passed.

6. President's Report

Mr. Williamson began with the subject of the Office of the Inspector General's Report. It is on their website that EMSA of OKC billed and was paid for advanced life support transports that were not going to be necessary. They reviewed 21,000 accounts – they picked 100 and went through those – some of the board members were very concerned about the operation of the authority on the patient billing side. So, I am making a big deal of this right now so that our employees understand that I have taken this to the top because it weighed heavily on a lot of people who worked very hard.

After the appeal, the decision was fully favorable for EMSA on all accounts. We were asked to either send in $365,000 when the study came out or appeal, not send money but accrue interest. The Board decided to send in the money to stop any accumulation of interest. We have received all that back now with this positive decision, and I want to reassure you that Angie and her department work very, very hard and are as good as anyone in this country.

Mr. Bird and Mr. Hodges agreed that there are many more audits these days in the healthcare industry, and that we are fortunate that this ruling came back so quickly.

Next is the Compliance and Exclusion Report for October and November. October was 92%, 97% and 92% on priority 3 - there were no areas of discrimination. And the next one is the West, they were also 92%, 98% and 91% compliant and non-beneficiary jurisdictions were also in compliance.

Mr. Williamson added that as far as summaries in the East and West – there were no areas of discrimination. For November, which is AMR's first month of the new contract period. The East did an excellent job of 93%. Keep in mind that many of these types of RFP's – the new contractor has anywhere from 90 to 120 days to get up to speed. They did an excellent job!!

In the West is the same thing – 91%, 92%, 91%. They are all compliant in non-beneficiary jurisdiction - no areas of discrimination.

Frank Gresh showed the comparative analysis of prior months of compliance showing the changes that went into effect November 1. This is using the number that is always displayed monthly on the Compliance Report, which is received on the scene, dispatched on the scene and this is a combination of Priority 1 and 2.

As you can see in October, there was 6:45 received on scene in the East – then the change in response times in November and December – those are the average overall response times.

Mr. Williamson said that Priority 2's went to 24:59, but they are only taking on average 2 minutes longer than they were at 11:59. Also, the fire department was concerned that they would have to remain at the scene a lot longer – they are only on the scene 1:15 than they were prior. So that answers the question for us about tying them up for a period of time.

On the Compliance Reporting, we are working with AMR to work over the QI process using the institute health system. We'll have the first meeting in March picking up from where we left off about 6 months ago. Mr. Chairman – that concludes my report.

7. New Business

There is no new business at this time.

8. Trustee's Report

Dr. Goodloe said that it has now been literally weeks since he has been asked to work with a single case regarding the impact of response times. Our challenges at this time are increasingly held at the Hospitals. We now have instances where the ambulances are being held over two (2) hours in emergency departments. Luckily we have not had a bad flu season because we don't have the hospital capability to take care of them.

We have situations where multiple individuals are being held for hours in emergency departments waiting for intensive care beds; and hospitals continue to accept patients from outlying hospitals that also require intensive care beds. Unfortunately, this is putting a lot on the back of the EMS system – and hospitals are failing to admit this.

We have had wonderful success stories of life after cardiac arrest. Day after day after day we have stories to tell about how this EMS system has made a real difference. For calendar year 2012, we have reached 45.2% survival rate of cardiac arrest – that is an all-time high.

Mr. Bird said that was excellent. He has a question – about the hold ups at the ER. This is not happening at all hospitals. It's happening at three hospitals in Tulsa and one hospital in OKC that has an overtax burden on its shoulders that no other hospital in the state does and that is being a Level 1 Trauma Center. There are times in Tulsa that our ambulances are held hostage at hospitals 50% of the time.

The Medical Control Board has approved a policy that basically says we don't think that this delay is the fault of the emergency department operations, but the hospitals continuing to take transfers when they have a full house or scheduling elected surgeries when the house is full. The emergency departments are trying to hustle and gets these patients moved as quickly as possible.

So, we have a policy that recognizes and also says that our crews are going to quit being so passive – to not have arguments but try to be more vocal after waiting 20 minutes – start pushing the issue more than they have been. I don't believe that hospital leadership are uncaring people – but I don't think they recognize the impact of their decisions – how it plays onto EMS system and on to the community.

I will get the policy and send it to Steve and Sara so that you all can see it. I just got something yesterday from one hospital that says when they look at their bed management – they find that 30% of the time they are waiting on EMSA for hours to take that

patient home. Steve, Frank and EMSA people actually from the time of the calls to EMSA to when EMSA was at the hospital to actually pick that patient up in the ED, we looked at all five major hospitals in Tulsa – and the time was around 27 to 32 minutes. So we let the numbers speak for themselves.

Mr. Bird asked if we had a standard and those hospitals don't meet that standard – any thoughts about imposing fines.

Dr. Goodloe says that yes they have considered fines but it is not so easy. It is the subject of accuracy of data and it is not the easiest of things to do if you are going to try to do so consistently and fairly. It would really have to be regulated and enforced by the city, not my office.

Dr. Rodgers added that you've got patients that come in at midnight that are now put on the operating schedule as an add-on because they weren't sick enough to be done at midnight – but must be done within 24 hours. They are going to bump me, my patients get mad – I can't put them back on for a week. The hospital makes no money off of the emergency, the semi-emergency case or loses money, makes money on my case, makes me mad and I take my case to another hospital.

So you've got doctors that make rounds lade in the day, don't get there in the morning, discharge the patients at 4 o'clock, could have been discharged at 7, sit there all day, didn't tell the family the day before that they are going home at 9:00 a.m. the next day and don't tell the family, or you have patients that don't have family or anyplace to go, that try to get into a nursing home.

Dr. Goodloe adds that another example is that there are times that these hospitals are operating with a housekeeping crew that you can count on a hand or less – and they are not incentivized so there is no incentive if you do a wonderful job – you can clean two rooms in an hour or you can clean five rooms in an house. Guess what – the pay is the same so there are no incentives – and if they don't do a good job – then you are admitted to that room and see blood some place in the room, then you are not going back to that hospital.

There are certainly stressors on our EMS System and God help us if we have a horrible late flu season because we are certainly in trouble – or worse, in crisis. We will do all that we can but there are an increasing number of people that are getting ongoing care in hallways, waiting for space to receive additional care.

Ms. Perryman supports EMS, but wants all to know that not everybody in hospital administration does not care. And we are doing many things to make sure that our patients are being taken care of. I will not get into an argument – I am just saying that there are a lot of good things going on and I am not going to take any more time about not everybody caring,

Dr. Goodloe answers that there is a distinct difference between OKC and Tulsa because the issues are occurring in Tulsa hospitals for the most part. OKC wonders how it is possible that these ambulances are stacking up. Whatever you are doing at Baptist and that Joe is doing at Saints is by and large working wonderfully. I wish that other hospitals were so successful.

Ms. Perryman said that in OKC – they pay hefty fines if we do not accept these rural patients because these big hospitals have the expertise.

Mr. Bird feels that we need to stay on top of this – so let's keep these talks alive. With that, I think that concludes this meeting. Our next meeting will be Friday Feb. 26th at 1:00 p.m. Thank you all – we are adjourned.

9. <u>Adjourn</u>

The Board of Trustees Meeting was adjourned at 2:08 p.m.

Sara G. Bovaird, Assistant Secretary