

EMERGENCY MEDICAL SERVICES AUTHORITY - A Public Trust

Regular Board of Trustees Meeting

Wednesday, April 23, 2014 at 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 April 21, 2014 at 10:04 a.m., in the offices of the City Clerk of Oklahoma City, and with the City of Tulsa on April 21, 2014 at 10:16 a.m., more than 24 hours prior to the time set for the meeting; then an **AMENDED AGENDA** was filed for the Regular Meeting of the Board of Trustees of the Emergency Medical Services Authority, a Public Trust, and was posted April 22, 2014 at 11:08 a.m., in the offices of the City Clerk of Oklahoma City, and with the City of Tulsa on April 22, 2014 at 11:09 a.m., more than 24 hours prior to the time set for the meeting.

TRUSTEES PRESENT

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

OTHERS PRESENT

Steve Williamson, EMSA
Kent Torrence, EMSA
Frank Gresh, EMSA
Kelli Bruer, EMSA
Tracy Johnson, EMSA
Sara Bovaird, EMSA
Sonny Geary, AMR
Tina Wells, AMR
Joanne McNeil, AMR
Lara O'Leary, AMR
Michael Murphy, AMR
Jim Winham, AMR
Jim Orbison, Riggs/Abney
Hannah Jackson with Schnake
Turbo/Frank

A quorum was present and the meeting was called to order at 1:04 p.m. by Mr. Clay Bird.

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CONSENT AGENDA

1. Approval of Board Minutes from the Regular EMSA Board of Trustees Meeting on March 26, 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 March 26, 2014 at 1:00 p.m.

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

NAY: None

The Motion was passed.

REGULAR AGENDA

1. Chairman's Report

No Report today

2. Chief Financial Officer's Report

Mr. Torrence is presenting the results for the nine months ended March, 2014. The Eastern Division had a loss of \$96,000 compared to the budgeted loss of \$632,000 or \$536,000. Our collection rate is 46% versus a budgeted one of 51%. Last month it was 45% and the month before that it was 44%. We are pretty close to 51%. Emergency transports are less than budget by 1.6% or 753 – non-emergency transports are 128 less than budget or 1.9%.

In the West, we've had a net loss of \$4,267,000 compared to a budgeted loss of \$5,683,000 – that's a positive variance of a little over \$1.4 Million. Most of that difference comes about through our operating cost being \$1.1 Million less than what we had budgeted, which is a little less than \$900,000. \$283,000 of that is due to volume, which

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is a little less than budgeted. \$600,000 of it is due to the unit hour rate for the West. 51.4% versus 53%.

Our collection rate is very close to what we budgeted – it's 50% versus 51%. It has been trending upward as well. It should be 51% by the end of the year. Emergency transports are less than budget – 4.2% or 2,327. Non-emergency transports are more than budget by 64% or 1,696.

Mr. Williamson said that we are seeing the volumes starting to pick up because there were 8 stretcher vans encroaching on much sicker patients than they were supposed to be transporting. They have been slowly going out of business. But with health care reform – that type of transportation is needed. But it must be organized in such a manner that everybody works on the state level.

Dr. Goodloe added that the process with the Department of Health to get regulatory change to the state is clearly not happening this year – possibly very late in 2015. So the changes more from a patient advocacy standpoint, will not be fully realized until January of 2016.

Mr. Torrence returned to complete his CFO Report. In the East we are trending toward a little over 61,000 emergency transports for 2014 – a 2% increase over last year. In the West, we are trending towards 71,000 – a 1% decrease. The Cash Receivable aging is pretty comparable to last year for East and West – good thing is that our 120 plus is less than a year ago in both East and West.

Past due accounts pretty much the same as last year. Cash flow in the East – our receipts are down \$200,000 from budget but last month that number was \$500,000 – we made up \$300,000 in one month. By the end of the year our patient receipts will be in line with the budget. The utility receipts were down \$500,000 and that will remain the same for the balance of the year. Operating expenses and changes in working capital \$900,000 less than what had been budgeted. Rent receivables were quite a bit less and our capital expenditures are \$700,000 less than budget.

For the West, patient receipts are \$500,000 more than budget; last month we were right at budget. As in the East, the West had a very good receipt month for March which brought us to budget – it exceeded our budget year-to-date by \$500,000. Operating expenses and changes in working capital \$400,000 positive variance is due mainly to the fact that our contractor costs are less than budget, and our capital expenditures are less.

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Ending cash for West is 1.8 Million with a budget of \$300,000.

Mr. Williamson added that our fleet is right at 100 and we rotate them on a 6 year schedule – we have 13 pending ambulances for this year.

3. Committee Reports and Recommendations

Mr. Hodges informed the Board Trustees that in the Finance Committee Meeting, we discussed the Eastern Division TotalCare rates. We also reviewed the results of the board assessment – Steve is going to find out from an outside source the top three (3) opportunities for improvement. We also looked at the attendance policy both in by-laws and through the Indenture. We felt like we could merge these policies together and get a little more clarification. Steve will come back to the Committee with recommendations on attendance policy for the Board. The final review was how the KPI's were going in such a positive direction in meeting and exceeding most of our goals.

4. EMSA Succession Plan

We are going to vote on the Succession Plan with its changes:

Approval of Emergency Succession Plan for EMSA – Procedure for the Appointment of an Acting President/CEO in the Event of an Unplanned Absence of the President/CEO.

UPON motion made by Mr. Lakin and seconded by Dr. Rodgers, the Board of Trustees voted to approve the **Emergency Succession Plan for EMSA – Procedure for the Appointment of an Acting President/CEO in the Event of an Unplanned Absence of the President/CEO**, dated April 23, 2014.

AYE: Mr. Phil Lakin, Mr. Clay Bird, Mr. Larry Stevens, Dr. James Rodgers, Mr. Larry McAtee, Chief Mark Joslin, Ms. Lillian Perryman.

NAY: None

The Motion was passed.

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5. Discussion of raising the Eastern Division TotalCare Rate

Mr. Williamson informed the Trustees that a couple of days ago he met with the Mayor and his staff and they asked if there was any possibility that we could raise the TotalCare fee on utility bill to allow for \$1 Million to be paid annually to the Tulsa Fire Department - We now pay the Fire Department \$350,000 a year. We calculated over the weekend and found that \$5.45 on the utility bill would take care of additional monies to the Fire Department for the next five (5) years. This puts us in an awkward position of approving this so quickly.

Mr. Bird added that he was concerned about timing issues – the Finance Director suggested we move forward with the standard process. But there was something about adding this to the utility bill, should this Board decide to move forward and should City Council pass on it - that makes sense.

Mr. Lakin said that we don't have to wait on the budget – we could go ahead and just change the ordinance outside of the budget discussions. It will be presented in the mayor's budget and if Councilors want to follow with the Mayor, it could be changed within a period of weeks.

Mr. Williamson said that the other point is that he does not want EMSA to take a black eye for this. This additional money is only for Fire – not EMSA.

Mr. Lakin explained that the shortfall is \$18 Million – it's a big number and it's moving. It is affected by the shortage of revenue that we're experiencing year after year because of sales tax dollars being spent on the surrounding municipalities. The Mayor has asked for a budget reduction from 7-11%. If this rate hike keeps us with the same amount of fire fighters that are certified in emergency and first response, then the outcomes that we are all working together for will be better!!

Mr. Williamson added that we are the only metropolitan area that has been successful having the utility fee give a product back with subscription. There is a possibility that taxes will be raised on the water bill altogether – will that affect our continuation of the number of households participating?

Jim Orbison said that EMSA is not asking for this and he does not believe that EMSA legally needs to vote on this – but if you would like to have a Board approval then that would be good.

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Mr. Lakin and Mr. Bird are going to work on all the specifics of when this needs to be approved.

Mr. Hodges and Dr. Goodloe are confirming that if this is approved, the City can't use that money. It will only be used under the EMSA name for the Fire Department – and this is a City of Tulsa budget deficit issue, not an EMSA budget issue.

6. EMSA/TotalCare Branding Presentation by Littlefield Agency

Kelli Bruer explains that Mike, Loren and Cara from Littlefield Agency are going to discuss TotalCare. EMSA went through a lot of scrutiny in our billing process and in how we were communicating and educating the public about the program - We knew we had to do a better job communicating. We did a quantitative survey by phone and then followed up with a survey in focus groups – asking about our image as a whole. The results of the survey we will see today and this presentation will lay the groundwork for the Board to decide how we want to go forward with a communication plan and a marketing plan. We surveyed a focus group regarding EMSA about a year ago – and the one before that one was about 10 years ago.

Dr. Goodloe recommends that we do these focus group surveys on an annual basis – this feedback is critical.

Ms. Perryman agrees and thinks we should do that for both cities. We need to do something to evaluate ourselves with the citizens.

Mr. McAtee stated that Oklahoma City does a survey annually based on scientific sampling – then we compare from one to the next. He recommends that we do that in both cities.

Mr. Williamson commented on our patient surveys that we do – we had 90% positive in the East, and 93.9% positive in the West. Those are excellent scores!!

Littlefield Agency said that overall The Fire Department and EMSA were both favorable, more so than the Police. Also, despite high awareness of the utility program, the term TotalCare Program was not recognizable to most. Most people's opinion regarding TotalCare is negative – they talk about news coverage and double billing. There is a breakdown of communication here.

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The TotalCare name itself is very confusing to most people – but when we called it EMSAcare – it had much more of a calming effect. EMSA has brand identification and brand awareness.

Ms. Perryman has to leave shortly but wants to vote on today if everyone wants to.

UPON motion made by Mr. Clay Bird and seconded by Mr. Lakin, the Board of Trustees voted to approve the name change from TotalCare to **EMSAcare** this 23rd day of April, 2014.

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

NAY: None

The Motion was passed.

7. President's Report

There is no President's Report today.

8. Medical Director's Report

There is no Medical Director's Report today.

9. New Business

There is no new business at this time.

10. Trustees Report

There is no Trustees Report at this time.

11. Next Meeting is Wednesday May 28, 2014, at 12:00 p.m., at the Best Western Lodge, Meeting Room, 1200 N. 8th, Stroud, Oklahoma.

12. Adjourn

Mr. Bird adjourned the meeting at 3:05 p.m.