

Tuolumne County
Administration Center
2 South Green Street
Sonora, California 95370
Phone (209) 533-5521
Fax (209) 533-6549

Heather Ryan
*Board Clerk
of Supervisors*

**BOARD OF SUPERVISORS
COUNTY OF TUOLUMNE**

David Goldemberg, *First District*
Kathleen Haff, *Fourth District*

Ryan Campbell, *Second District*

Anaiah Kirk, *Third District*
Jaron Brandon, *Fifth District*

AGENDA
Finance Committee

Friday, January 29, 2021 @ 2 p.m.

In order to protect public health and the safety of our Tuolumne County citizens, this Finance Committee meeting will be physically closed to the public, however the public may participate and comment on any item via teleconference, U.S. Mail, email, or video conferencing through the Zoom platform at the following link:

Zoom (Video or Audio):

<https://zoom.us/j/98329459190?pwd=Q3ZFaWV4eXVpR0JpWXozUkhXb21WQT09>
Passcode: 791736

Telephone: Dial 1 6699009128 and Enter Webinar ID: 983 2945 9190
Passcode: 791736

Email: Email your comments to Attn: Heather Ryan at hryan@co.tuolumne.ca.us.

Mail: Mail your comments to the above address. Written comments must be received no later than 8:00 a.m. on the morning of the noticed meeting.

Special Notice: In accordance with Governor's Executive Order N-29-20, if you need swift special assistance during the meeting, please call (209) 533-5521. Under Executive Order N-25-20, this meeting will allow members to participate by teleconference.

1. Call the meeting to order
2. Consideration of modifying the ambulance rate schedule effective March 1, 2021.
3. Evaluate the proposed fire inspections fees for State mandated inspections and provide a recommendation to the Board of Supervisors
4. Adjourn

In accordance with the Americans with Disabilities Act, if you need special assistance (i.e. auxiliary aids or services) in order to participate in this public meeting, please contact the Board Clerk of the Board of Supervisors, (209-533-5521). Notification 48 hours prior to the start of the meeting will enable the Clerk to make reasonable accommodations to ensure accessibility to this public meeting.



Tuolumne County Health and Human Services Agency

REBECCA ESPINO
Director

STEVE BOYACK
Assistant Director

WENDY HOFFMAN-BRADY
Assistant Director

20075 Cedar Road North
Sonora, CA 95370
(209) 533-5711
Fax: (209) 533-5714
www.tuolumnecounty.ca.gov

January 29, 2021

To: Board of Supervisors Finance Committee
Tracie Riggs, County Administrator

From: Rebecca Espino, HHSA Director
Steve Boyack, Assistant HHSA Director *SB*
Katie Andrews, EMS Coordinator
Bill Caldera, CEO, Manteca District Ambulance
John Andrews, General Manager, Manteca District Ambulance

Subject: Proposed Ambulance Rate Increase

Background

Tuolumne County Ambulance services are provided through a contract with Manteca District Ambulance (MDA). Tuolumne County Ambulance provides a variety of emergency services ranging from basic life support to paramedic critical care. Cost of operations is outpacing current rates set for providing ambulance care.

The program is financed through the Ambulance Enterprise Fund. The Enterprise Fund is completely self-sustaining through reimbursement from the user (patient) or the user's health insurance coverage. In addition to user fees, the additional costs for ambulance coverage in Groveland is provided for by a voter approved parcel fee, which is (approximately \$339,000 annually) and the San Francisco Essential Services Contract (approximately \$56,000 annually). The Ambulance Enterprise Fund Fiscal Year 20/21 Adopted budget is \$8,406,000 and receives no County General Fund support.

The information below outlines the history of rate increases for ambulance services in Tuolumne County. The rates for ambulance services are set and approved by Board resolution. In most cases the rate increase has been applied incrementally.

Effective Date of Rate Change	Incremental Change	Total
July 1, 1992	12%	12%
January 1, 2001/January 1, 2002	15% / 5%	20%
July 1, 2004/July 1, 2005	20% / 10%	30%
January 1, 2007/July 1, 2008	8% / 8% / 8%	24%
August 1, 2010/January 1, 2011	6% / 6%	12%
July 20, 2016/January 1, 2017	12.5% / 12.5%	25%

Over 30 years, the increase total: **123%***

*The actual compounded growth is 143%

While the percentage increase in reimbursement rates over the last 30 years is 123%, the actual compounded growth has increased approximately 143%, costs attributed to program operations have increased 298% over that same time period. Since the last rate increase, the cost of doing business, primarily related to personnel costs, dispatch services, ambulance replacements, fuel, medical supplies, and capital improvements have continued to increase. In addition, reimbursements from the majority of calls come from Medicare and Medi-Cal patients (approximately 80% of transports in calendar year 2020) and the reimbursement rates for this large segment of the call volume do not keep pace with the cost of providing services.

Private Insurance

The volume of private insurance patients continues to decline. Typically, reimbursement from private insurance companies compensate what is billed. In 2020, the decline in private insurance payers was substantial which could be affected by the COVID related business closures, reductions in staff, and layoffs.

Medicare Challenges

As County demographics change, the Medicare portion of the payer mix continues to increase. Medicare reimbursement rates do not increase based on an increase in ambulance rates. Medicare reimbursement typically remains static or may even be reduced depending on federal legislation.

As of January 1, 2018, the Medicare super rural rate which results in an overall 22.6% increase in Medicare reimbursements was extended five years. Even with the super rural enhancement, Medicare reimbursement does not cover the cost of service. At the end of the five-year extension period, the super rural reimbursement rate will be subject to congressional appropriation for further extensions. This creates budget uncertainty for the ambulance fund. For example, if the ambulance fund lost the Medicare super rural reimbursement rate in FY 18/19, the loss of revenue would have been estimated at \$414,111. A rate increase will mitigate the ambulance fund from potential revenue fluctuations

Medi-Cal Challenges

Fee for Service Medi-Cal:

The Medi-Cal Ground Emergency Medical Transportation Supplemental Reimbursement Program (GEMT) was enacted October 2, 2011. GEMT, a Certified Public Expenditure (CPE) based program provides enhanced funding to eligible governmental entities. On January 30, 2010, GEMT authorized supplemental reimbursement payments based on uncompensated costs for Medi-Cal fee-for-service transports. GEMT provides funds to cover the difference between what Medi-Cal pays and the actual cost of providing the service to Medi-Cal beneficiaries. Since the inception of the GEMT Program, the total enhanced Medi-Cal reimbursement received is \$1,111,287.

Managed Care Medi-Cal:

Currently, 82% of the state's Medi-Cal recipients receive their benefits through Medi-Cal managed care. In accordance with the Senate Bill 523, the Department of Health Care Services established the Ground Emergency Medical Transport (GEMT) Quality Assurance Fee (QAF) program. This program requires the entity to pay a fee based on all ground emergency medical transports provided by GEMT providers. The fee of approximately \$34,000 per quarter is an additional cost paid to the State by the Ambulance Enterprise Fund. This fee allows the ambulance program, to "buy-in" to the opportunity to receive a higher reimbursement for specific transports at the GEMT reimbursement rate. As of FY 18/19 the fee per transport was \$220.80 with a reimbursement rate of \$339.00. Unfortunately, the Medi-Cal enhanced reimbursement in no way covers the cost for a typical Advanced Life Support (ALS) ambulance transport which is approximately \$1905.00.

Financial

The midyear budget preparation revealed that Ambulance Enterprise Fund's revenue is 15% below expected through December 31, 2020. The primary contributing factors are decreased 911 calls and a reduction in out of county transports. It is believed the COVID-19 pandemic is a strong contributor to these decreased transportation calls due to the limited bed availability in the surrounding area.

In order to ensure that the ambulance fund remains self-sustaining, and ambulance services are maintained at their current level, it is recommended that existing rates be increased incrementally through July 1, 2021 as shown in the schedule below, with a 25% increase on March 1, 2021, another 25% increase on July 1, 2021.

Ambulance Rates	Current Rates	Proposed 25% Increase March 1, 2021	Proposed 25% Increase July 1, 2021
Basic Life Support (BLS)	\$ 1,472.00	\$ 1,840.00	\$2,208.00
BLS Emergency	\$ 1,662.00	\$ 2,078.00	\$2,493.00
Advanced Life Support (ALS)	\$ 1,905.00	\$ 2,382.00	\$2,858.00
ALS Emergency	\$ 2,095.00	\$ 2,619.00	\$3,143.00
Paramedic Critical Care	\$ 2,860.00	\$ 3,575.00	\$4,290.00
Mileage	\$54.00	\$ 68.00	\$81.00
Oxygen	\$183.00	\$ 229.00	\$275.00
Night Call (7:00 PM to 7:00 AM)	N/A	\$214.00	\$268.00
EKG	N/A	\$179.00	\$224.00
Treat, non-transport	N/A	\$437.00	\$547.00
Wait Time (15 min)	\$71.00	\$ 89.00	\$107.00
Special Event (Per hour)	\$207.00	\$ 250.00	\$311.00
In City Intra-Facility	\$946.00	\$ 1,183.00	\$1,419.00
Safety Car	\$50.00	\$63.00	\$75.00
Driver (per hour) – Safety Car	\$42.21	Increased per service provider agreement	
Mileage – Safety Car	\$0.58	Increased per standard IRS Mileage Rate	

The current ambulance rate structure for Tuolumne County is well below average for the State of California; the proposed 50 percent increase rate structure would place Tuolumne County above the 75th Percentile statewide. Most EMS Systems increase ambulance rates on an annual basis and Tuolumne County may be at or below the 75th percentile by July 1, 2021. The proposed rate increases will affect patients who are private pay and those with private insurance. Regardless of ambulance rate increases, Medicare, Medi-Cal, and the State of California Department of Corrections pay a fixed amount for ambulance services. For example, the Medicare and Medi-Cal reimbursement rates for an advanced life support (ALS) service are \$589 and \$339 respectively, even though the current rate for an ALS emergency service is \$1,905.

Currently, there is not a differential for a Night Call, charge for EKG, and for Treat and non-transport services. This proposal includes a request to add an additional cost for services that are currently done at no cost.

To assist with Ambulance Enterprise Fund sustainability, the ambulance rates need to be properly adjusted for inflation annually, staff is proposing an option to apply a CPI to ambulance rates as applicable via the U.S. Bureau of Labor Statistics Employment Cost Index.

The proposed increase in ambulance rates will result in additional expected revenue of \$207,831 for FY 20/21 and \$1,449,058 for FY 21/22, assuming similar call volume and payer mix.

Recommendation

It is respectfully recommended that your Board's Finance Committee concur with:

1. The attached resolution modifying the ambulance rate schedule effective March 1, 2021,
or;
2. The attached resolution modifying the ambulance rate schedule effective March 1, 2021,
including an annual Consumer Price Index (CPI) increase as applicable.

No. _____



Filed: _____, 2021

By: _____

RESOLUTION

OF THE BOARD OF SUPERVISORS OF THE COUNTY OF TUOLUMNE

WHEREAS, expenses for the ambulance services in Tuolumne County are increasing due to the increased cost of personnel, vehicles, fuel, medical supplies, equipment and related expenses; and

WHEREAS, due to the increased cost of operations, it has become necessary for the Tuolumne County Board of Supervisors to consider action to raise fees for the seventh time since April 1, 1987; and

WHEREAS, incremental 25% increases in calendar year 2021 are necessary to cover increasing operational expenses. The first 25% percent increase will go into effect March 1, 2021, the second 25% increase will go into effect July 1, 2021; and

WHEREAS, there is a need to add reimbursement rates for Night Call, EKG and Treat, non-transport services, whereby the County has not cost recovered for these services in the past.

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of Tuolumne County approves the following ambulance fee schedule, effective on the date specified:

Ambulance Rates	Current Rates	Proposed 25% Increase March 1, 2021	Proposed 25% Increase July 1, 2021
Basic Life Support (BLS)	\$ 1,472.00	\$ 1,840.00	\$2,208.00
BLS Emergency	\$ 1,662.00	\$ 2,078.00	\$2,493.00
Advanced Life Support (ALS)	\$ 1,905.00	\$ 2,382.00	\$2,858.00
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Special Event (Per hour)	\$207.00	\$ 250.00	\$311.00
In City Intra-Facility	\$946.00	\$ 1,183.00	\$1,419.00
Safety Car	\$50.00	\$63.00	\$75.00
Driver (per hour) – Safety Car	\$42.21	Increased per service provider agreement	
Mileage – Safety Car	\$0.58	Increased per standard IRS Mileage Rate	

ADOPTED BY THE BOARD OF SUPERVISORS OF THE COUNTY OF TUOLUMNE ON _____, 2021

AYES: 1st Dist. _____

NOES: _____ Dist. _____

2nd Dist. _____ Dist. _____

3rd Dist. _____ ABSENT: _____ Dist. _____

4th Dist. _____ Dist. _____

5th Dist. _____ ABSTAIN: _____ Dist. _____

CHAIRMAN OF THE BOARD OF SUPERVISORS

ATTEST: _____
Clerk of the Board of Supervisors

No. _____

No. _____



Filed: _____, 2021

By: _____

RESOLUTION

OF THE BOARD OF SUPERVISORS OF THE COUNTY OF TUOLUMNE

WHEREAS, expenses for the ambulance services in Tuolumne County are increasing due to the increased cost of personnel, vehicles, fuel, medical supplies, equipment and related expenses; and

WHEREAS, due to the increased cost of operations, it has become necessary for the Tuolumne County Board of Supervisors to consider action to raise fees. Fees were last updated on January 1, 2017; and

WHEREAS, incremental 25% increases in calendar year 2021 are necessary to cover increasing operational expenses. The first 25% percent increase will go into effect March 1, 2021, the second 25% increase will go into effect July 1, 2021; and

WHEREAS, there is a need to add reimbursement rates for Night Call, EKG, and Treat and non-transport services, whereby the County has not cost recovered for these services in the past; and

WHEREAS, to assist with Ambulance Enterprise Fund sustainability, the ambulance rates need to be properly adjusted for inflation annually, by applying a Consumer Price Index adjustment using the U. S. Bureau of Labor Statistics Employment Cost Index. The rate adjustment will be applied annually on July 1 at the start of every fiscal year.

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of Tuolumne County approves the following ambulance fee schedule, effective on the date specified:

Ambulance Rates	Current Rates	Proposed 25% Increase	Proposed 25% Increase
		March 1, 2021	July 1, 2021
Basic Life Support (BLS)	\$ 1,472.00	\$ 1,840.00	\$2,208.00
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ADOPTED BY THE BOARD OF SUPERVISORS OF THE COUNTY OF TUOLUMNE ON _____, 2021

AYES: 1st Dist. _____	NOES: _____ Dist. _____
2nd Dist. _____	_____ Dist. _____
3rd Dist. _____	ABSENT: _____ Dist. _____
4th Dist. _____	_____ Dist. _____
5th Dist. _____	ABSTAIN: _____ Dist. _____

CHAIRMAN OF THE BOARD OF SUPERVISORS

ATTEST: _____
Clerk of the Board of Supervisors

No. _____



County Administrator's Office

2 South Green Street, Sonora, California 95370
Telephone (209) 533-5511 - Fax (209) 533-5510
www.tuolumnecounty.ca.gov

Tracie Riggs
County Administrator

Eric Erhardt
Assistant County Administrator

Maureen Frank
Deputy County Administrator

January 25, 2021

TO: Tuolumne County Finance Committee

FROM: Liz Peterson, Senior Administrative Analyst

SUBJECT: Mandated Fire Code and Life Safety Inspection Fees

Background

On January 5th, the Board of Supervisors was provided a presentation on Fire Code and Life Safety Inspections as a part of the County's upcoming business license program. The purpose of these inspections is to proactively reduce the loss of life and property from fire. While structure fires in Tuolumne County have decreased over the past decade, the main cause of loss of life and property by fire in Tuolumne County remains structure fires. Wildland fires, though a significant concern, account for very few structure losses. Fires ignited along roadways and by equipment, though prevalent in our CAL FIRE Unit, contribute to fewer structure losses than fires that start in or around buildings or homes. Proactively inspecting businesses to ensure they are safe and free from hazards is statistically the best way to reduce the risk of loss of life and property to fire.

At that Board meeting, staff requested the Board of Supervisors provide direction regarding which inspections the Board would want to mandate, in addition to the state-mandated inspections that are currently conducted by the Tuolumne County Fire Prevention Bureau. Staff also requested the Board provide further direction on setting the rate for those inspections.

While there was not clear consensus regarding fire code and life safety inspections for non-mandated businesses, the Board did all agree they would like to start charging for the mandated business inspections that currently take place. California Government Code allows the County to charge a fee for this service but a fee has never been established.

We support the Board of Supervisors in achieving their goals through service and collaboration with County Departments and the Community.

Recommendation

Staff have conducted time studies of these inspections and attached is the list of these mandated occupancy types with the approximate amount of time each inspection takes by staff. Staff currently conduct 169 mandated inspections annually. The full cost to provide these inspections is \$86.50 per hour.

Furthermore, the California Fire Code now mandates inspections for any homes that are used as vacation or short-term rentals. The Code specifically requires occupants permanently reside in a home so by turning a residential home into a short-term rental, they no longer fall under a residential category. This is a newer change to the code and staff are currently not inspecting these businesses. Staff are proposing to add a fee for inspecting this occupancy type as well, however there are approximately 345 vacation rentals in Tuolumne County and while each inspection will only take about 1 hour, staff do not have the capacity to add these inspections to their existing workload.

The Board of Supervisors has the discretion to set the fees for these services at any rate they choose, however staff are recommending this committee consider making a recommendation to the full Board for full cost recovery for all these mandated inspections.

Tuolumne County Fire Department Mandated Fire Code and Life Safety Inspection Fee Schedule

Occupancy Type	Description	hours	100% Cost Recovery
R-2	Apartment Building (up to 4 units)	1.00	\$86.50
R-2	Apartment Building (5-25 units)	2.00	\$173.00
R-2	Apartment Building (26-100 units)	3.50	\$302.50
R-2	Apartment Building (101-300 units)	5.00	\$432.25
R-2	Apartment Building (301 or more units)	6.50	\$562.00
E-3	Commercial Day Care (1-6 persons)	1.00	\$86.50
E-3	Commercial Day Care (7-49 persons)	1.50	\$129.75
E-3	Commercial Day Care (50-149 persons)	2.00	\$173.00
E-3	Commercial Day Care (150 persons or more)	4.00	\$345.75
R-3	Large Family Day Care (7-14 persons)	1.00	\$86.50
R-1	Hotel/Motel (7-25 units)	3.00	\$259.25
R-1	Hotel/Motel (26-100 units)	4.00	\$345.75
R-1	Hotel/Motel (101-300 units)	5.00	\$432.25
R-1	Hotel/Motel (301 or more units)	6.00	\$518.75
R-1	Vacation Rentals	1.00	\$86.50
R-2.1,3.1, 4	Residential Care Facility (1-6 units/beds)	1.00	\$86.50
R-2.1,3.1, 4	Residential Care Facility (7-25 units/beds)	2.00	\$173.00
R-2.1,3.1, 4	Residential Care Facility (26-100 units/beds)	3.50	\$302.50
R-2.1,3.1, 4	Residential Care Facility (101-300 units/beds)	5.00	\$432.25
R-2.1,3.1, 4	Residential Care Facility (301 or more units/beds)	6.50	\$562.00
R-2.1,3.1, 4	Residential Care Facilities (6 or fewer persons)	1.00	\$86.50
E	Private School (1-99 students)	1.50	\$129.75
E	Private School (100-199 students)	3.00	\$259.25
E	Private School (200 or more students)	4.50	\$389.00
I-2	Hospital	8.00	\$691.50
I-2	Skilled Nursing Facility (7-25 units/beds)	2.00	\$173.00
I-2	Skilled Nursing Facility (26-100 units/beds)	3.50	\$302.54
I-2	Skilled Nursing Facility (101-300 units/beds)	5.00	\$432.25
I-2	Skilled Nursing Facility (301 or more units/beds)	6.50	\$562.00
I-3	Prison, Jails	3.00	\$259.25
H	High Hazard Tank Inspections	1.00	\$86.50
A-1	Theaters, Concert Halls	1.50	\$129.75
A-2	Drinking (Bars), Dining (Restaurants)	1.50	\$129.75
A-2	Casinos	3.50	\$302.50
A-3	Auditoriums, Dance Halls, Assembly Halls, Places of Worship	2.00	\$173.00
A-4	Structures for Purposes of Amusement	3.00	\$259.75
A-5	Bleachers, Stadiums	1.00	\$86.50
C	Organized Camps	1.00	\$86.50
Misc.	Tents, Fabricated Enclosures	1.00	\$86.50
Misc.	High Rise	8.00	\$691.50
Misc.	Wild-Land Urban Interface Area	1.00	\$86.50
Misc.	Special Inspection Request (per hour)		\$86.50
Misc.	Site Inspection (per hour)		\$86.50