

EMERGENCY MEDICAL SERVICES AUTHORITY – A Public Trust

Board of Trustees Meeting

Wednesday, March 28, 2012

EMSA Corporate Offices

1111 Classen Dr., OKC, OK 73103

1417 N. Lansing Ave., Tulsa, OK 74106

NOTICE AND AGENDA for the meeting of the Board of Trustees of the Emergency Medical Services Authority, a Public Trust, was posted March 26, 2012 in the offices of the City Clerk of Oklahoma City at 4:11 pm, and with the City Clerk of the City of Tulsa on March 26, 2011 at 4:15 pm, more than 24 hours prior to the time set for the meeting.

A quorum was present. The meeting was called to order at 1:00 p.m. by Dr. Jim Griffin.

TRUSTEES PRESENT

Dr. Jim Griffin
Dr. Jim Rodgers
Mr. Clay Bird
Mr. Gary Marrs
Mr. Joe Hodges
Ms. Lillian Perryman
Mr. Larry Stevens
Dr. Ed Shadid

OTHERS PRESENT

Steve Williamson, EMSA
Kent Torrence, EMSA
Angie Lehman, EMSA
Ann Laur, EMSA
Frank Gresh, EMSA
Kelli Bruer, EMSA
Tracy Johnson, EMSA
Frank Gresh, EMSA
John Peterson, Paramedics Plus
Stephen Dean, Paramedics Plus
Joanne McNeil, Paramedics Plus
Lara O'Leary, Paramedics Plus
Jim Orbison, Riggs/Abney
Kris Koepsel, Riggs/Abney
Jarrod Kopp, Schnake/Turnbo/Frank
Doug Dowler, City of Oklahoma City
Ziva Branstetter, Tulsa World
Stephen Pingry, Tulsa World
Kirby Lee Davis, The Journal Record
Todd Scribner, Cox Media Group

TRUSTEES ABSENT

Dr. Tyree Seals, Mr. Phil Morgans, Dr. Jeff Goodloe

CONSENT AGENDA

1. Approval of Regular Board Minutes of February 22, 2012

Mr. Clay Bird noted that the minutes did not reflect his request made at the February 22, 2012 meeting to add an agenda item for the March meeting to discuss and possibly take action on a resolution supporting pseudoephedrine becoming available by prescription only. He stated he would vote to approve the February 22, 2012 minutes if they are amended to reflect his request. He also asked that his comments be included in the minutes written for the current meeting, March 28, 2012, and requested the agenda item be added to the April 25 meeting agenda.

Upon motion made by Mr. Marrs and seconded by Ms. Perryman, the Board of Trustees voted to approve the Regular Board Minutes of February 22, 2012 with an amendment to reflect Mr. Bird's requests.

AYE: Mr. Gary Marrs, Mr. Larry Stevens, Dr. Jim Griffin, Dr. Jim Rodgers, Ms. Lillian Perryman, Mr. Clay Bird

NAY: None

ABSTENTION: None

ABSENT: Dr. Ed Shadid, Dr. Tyree Seals, Mr. Phil Morgans

REGULAR AGENDA

1. Chairman's Report

None.

2. Chief Financial Officer's Report

Mr. Kent Torrence presented an overview of the financial statements for the eight months ending February 29, 2012. The Eastern Division had a YTD profit of \$188 thousand compared to a budgeted profit of \$138 thousand. The Western Division had a YTD net loss of \$4,761K thousand compared to a budgeted net loss of \$4,861 thousand. The YTD collection rate for the Eastern Division was 60.0% compared to a budgeted collection rate of 60.0%. The YTD collection rate for the Western Division was 57.0% compared to a budgeted collection rate of 60.0%. The Eastern Division had 591 more emergency transports than budgeted YTD, and 719 less non-emergency transports than budgeted. The Western

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Division had 1,628 more emergency transports than budgeted YTD, and 639 less non-emergency transports than budgeted.

Mr. Torrence noted that EMSA has an increase in receivables due from the City of Tulsa. An ordinance was recently passed designating the cash EMSA may keep on hand be capped. Once that cap is reached, the utility fee monies are then kept by the City of Tulsa. February was the first month for utility fee money to be retained in the rate stabilization fund established by the City. Therefore, EMSA's receivable from the City of Tulsa has increased \$400K from what it had been previously. Mr. Torrence stated the receivable balance will continue to increase throughout the rest of this fiscal year.

Dr. Griffin asked Mr. Torrence if there was a way to use a portion of the \$400K increase toward the anticipated cost of a public education campaign. Mr. Torrence explained that if, for example, \$300K is spent on the PR communications campaign, the City of Tulsa will end the fiscal year with \$300K less than they would have otherwise. Whatever monies are spent towards educating the public will impact the rate stabilization fund balance.

Mr. Torrence asked Angela Lehman, EMSA's Vice President of Financial Services to explain to the board the various reasons EMSA's collection rate in the western division is 57% less than the budgeted rate of 60%.

Ms. Lehman reported that BLS (Basic Life Support) emergency runs are up in the West vs the East. BLS runs are paid at a lower rate than ALS (Advanced Life Support) emergency runs. She noted there is a shift change in the West with the number of runs from nursing homes (most of which are BLS), increasing. Ms. Lehman also noted that the number of runs being paid Medicaid rates has risen in the West compared to the East. Also, the Western division has a higher volume of Medicare HMO's than does the Eastern division, which results in less money collected. On January 1, all providers were required to go to a 5010 version of software, however, not all payors have software that is compatible with the new 5010 version, causing delays in payments. In addition, there are more VA (Veteran's Administration) patients in the western vs the eastern division, and as of January 1, the VA went to the Medicare rate, which also affects collections. Lastly, Ms. Lehman noted that the Workers Compensation fee schedule changed, which affects both divisions.

3. President's Report

Mr. Williamson asked Mr. Kris Koepsel to give the board a report on the current status of the class action lawsuit filed against EMSA. Mr. Koepsel reported he had recently filed a Motion to Dismiss. Mr. Koepsel explained that the Motion to Dismiss lays out legal arguments and facts in response to the allegations made by the Plaintiffs in the Amended Petition. Mr. Koepsel said that although the Petition has been publicly portrayed as a class action suit, as of right now, it is not technically a class action, but instead there has been an allegation of class certification. Until a judge rules on that allegation, it is just five people

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suing EMSA, and in order to go forward the plaintiffs must go in front of a judge with facts to prove they have the ability to move forward with class representation.

Mr. Koepsel then took the board members briefly through the various claims of the plaintiffs and the arguments given on EMSA's behalf, disputing the claims asserted against EMSA. Mr. Koepsel explained the Motion to Dismiss also goes into detail regarding specific factors of the TotalCare program, as the Plaintiffs are claiming they were members in the program at the time of transport. He noted there has been recent mention of the 60 day requirement in the media, and stated that none of the situations factually presented would have been affected in any way by the 60 day criteria in the TotalCare program as it presently exists. The Plaintiffs will have an opportunity to respond to the Motion to Dismiss, and the judge will make his ruling.

Mr. Bird asked Mr. Koepsel for an idea of the time frame in which he expects to receive a ruling from the judge. Mr. Koepsel anticipates a ruling in 45-60 days, depending on the judge's docket.

Mr. Williamson then addressed other items in relation to recent articles regarding EMSA's billing system. He stated that the five refunds provided to the patients referred to in a Sunday, March 25, 2012 article total \$840.70, combined. He noted EMSA's error rate is very low, and the number of patients who receive refunds represent a fraction of the total number of people served by EMSA. He assured the Board that EMSA's billing system is fair and thorough.

Mr. Williamson stated that the Patient Financial Services department is receiving calls related to the articles, but that volume is not heavy. He shared with the Board instances in which it is difficult to ascertain a correct address. He acknowledged occasional errors are made, but stated the system has been designed so that there is no method of deliberately taking money from a patient when none is owed.

Dr. Shadid asked if there is a way to identify accidental cases where a patient may have paid who was erroneously billed. Mr. Williamson replied that unless the patient calls, those cases cannot be identified. Every effort is made in the beginning of the billing process to locate the correct address and identify whether the patient is a utility fee member. Dr. Shadid then asked if a random audit might be conducted to see how often erroneous billing may have taken place. Mr. Williamson indicated such an audit is very time consuming, and confirmed with Mr. Frank Gresh, EMSA's Public Information Officer, that EMSA had, indeed, tested the process of taking one day's worth of runs and matching them against patient addresses. The process took a full day to complete. Board discussion ensued as to what the types of complexities and difficulties are involved in the billing of patients, from locating correct addresses and verifying insurance, to third party payors in multiple vehicle accidents.

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Mr. Gary Marrs stated he is of the opinion that patients who are utility program members still need to take responsibility and follow up with the medical agency that provides them service.

Mr. Joe Hodges agreed, stating it is the patient's obligation to provide appropriate billing information and to be responsible for responding to information requests.

Mr. Clay Bird stated he believes EMSA already has a fairly good list of inappropriately billed patients, based on work Ziva Branstetter has done for the Tulsa World. He feels EMSA ought to be able to determine who is in the program. He agrees patients need to be responsible for providing insurance, but believes it is EMSA's responsibility to communicate to the citizens just how the utility program works. Mr. Bird expressed concern about the clause in the membership agreement which states the patient needs to provide insurance information within 60 days. He feels the clause was arbitrarily added, as he is unaware of any EMSA Board discussion or action taken to add it. Mr. Bird believes there is a lack of engagement with the board and EMSA's administrative policies. He stated that he, as the Mayor's representative on the Board, would like to see the Board more involved with the administrative policies and knows the Mayor would appreciate a higher level of Board involvement, as well.

Dr. Griffin noted that in the original TotalCare Program, people signed up individually and EMSA was provided their name and insurance information. The program has now been made available to the populace by way of a small charge on their utility fee, and it is up to EMSA to determine who is in each household, which he feels is a "pretty big burden". Discussion ensued regarding patient billing and the complexities involved, whether billing from a large hospital or private practices or EMS systems such as EMSA. Insurance payments and timing of claims was included in the discussion. Mr. Bird agreed billing can be complex, but strongly feels any decisions made to alter criteria for submitting insurance information should be determined by the board or the city councils. Another alternative may be to have the Board put a policy in place to allow such decisions to be made by the administration of EMSA, if it is the desire of the board that they do so.

Mr. Kris Koepsel explained the criteria to provide insurance information has always been included in the TotalCare Program begun by EMSA. Mr. Williamson agreed and stated there is only one TotalCare Program, which can now be entered in two different ways – either by participating in the Utility Fee program or by buying an individual membership. He explained that each year EMSA reviews the TotalCare agreement and forms, along with various questions received by patients in regard to the program, and considers changes based on issues raised by those questions. Submittal of a patient's insurance information has always been a requirement, with nullification of the agreement an option if insurance information has been withheld. The timeframes of 30 days and then 60 days were added to the agreement in response to questions from patients as to the length of time required to submit their insurance information. The timeframe also helps to ensure payment from

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patients' insurance companies and third party payors, as those entities will deny payment if insurance information is not received within their timeframes. Mr. Williamson stated EMSA has never excluded anyone from the TotalCare Program due to the 60 day rule.

Mr. Bird raised a question regarding the medical service program referred to in the ordinance of the City of Tulsa vs. the original TotalCare program. Mr. Williamson indicated he and EMSA's attorneys were in the process of setting up a meeting with Mr. David O'Meilia, the attorney for the City of Tulsa, to discuss the program and any issues perceived by the City of Tulsa. Mr. Koepsel explained the City of Tulsa adopted the existing TotalCare program, with the funding mechanisms in place when the program was adopted. Mr. Bird stated he would revisit the issues with the Mr. O'Meilia, and try to assist in setting up a meeting.

Dr. Shadid asked Mr. Williamson if the contract with Works & Lentz was put out for bid. Mr. Williamson explained that the service Works & Lentz provides falls under "professional services", and therefore isn't required to be bid upon. He indicated EMSA has used Works & Lentz for many years, beginning approximately in 1979. Mr. Williamson noted that the rate charged by Works & Lentz has been lowered over time, and fewer accounts have been turned to them over time, as well. Other companies have been looked at, but because of the special nature of healthcare collections and the expertise Works & Lentz has in this specific area, EMSA has been pleased with the services provided and the marketable rate. EMSA uses another company for second placement accounts.

Dr. Shadid inquired as to how often the contract had been changed. Mr. Williamson indicated approximately three to four times and stated the Board had approved the last contract, which he believes was in 1989 or thereabout. He explained EMSA Management has been overseeing the success rate of the collection efforts. Dr. Shadid raised the question of whether some of the oversight of the collections process, such as policies, collection percentages, and rates should come under the purview of the board. He feels 23 years is a long time for the Board not to have had some involvement in the discussion or policy making related to collection agencies.

Discussion regarding Works & Lentz was ended in order to proceed to the next agenda item, due to the need to maintain a quorum necessary for items requiring a vote.

4. Contract with Littlefield Brand Development for Communication and Education of the TotalCare Program in the Eastern Division, as requested by the Tulsa Mayor and City Council, not to exceed \$300,000 this fiscal year and \$300,000 next fiscal year

Mr. Williamson informed the Board the renewal period for the Utility Fee Program in Tulsa is in May. The Tulsa Mayor and City Council has requested EMSA use the renewal period to better educate the citizens of Tulsa on the Utility Fee Program. EMSA is planning to divide the budget for this purpose over two fiscal years. As time is short and EMSA has

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previously worked with Littlefield, Inc., he went to them to help outline a public education program. A handout was provided to Board members detailing a plan designed to accomplish a year-round education of the public regarding the benefits of TotalCare and good will for EMSA in general. Mr. Williamson then reviewed the handout with the Board.

Mr. Bird proposed EMSA issue a Request For Proposal to see if a lower cost option could be found. Mr. Williamson was concerned that time may not allow for an RFP process. Mr. Bird stated he believes the Mayor and Council would be in favor of an informal RFP process in order to try to save what could be a significant amount of money. Dr. Shadid inquired as to the amount of money currently budgeted annually for Public Relations. Mr. Kent Torrence will get that number to him. After discussion among the trustees, it was agreed to put the item out for bid and form a small committee to review proposals as quickly as possible to make a recommendation to the Board at the meeting in April. Agenda Item 4 was amended to read, "Motion to approve a public relations firm in response to an informal request for proposals as determined by a PR Committee of Steve Williamson, Clay Bird, Dr. Jim Griffin and Kelli Bruer, not to exceed \$300,000 this fiscal year and \$300,000 next fiscal year".

Upon motion made by Mr. Bird and seconded by Dr. Rodgers, the Board of Trustees voted to approve a Public Relations Firm in Response to an Informal Request for Proposals as Determined by a Public Relations Committee of Steve Williamson, Clay Bird, Dr. Jim Griffin and Kelli Bruer, not to exceed \$300,000 this fiscal year and \$300,000 next fiscal year.

AYE: Dr. James Griffin, Ms. Lillian Perryman, Dr. Ed Shadid, Dr. Jim Rodgers, Mr. Clay Bird, Mr. Joe Hodges, Mr. Gary Marris, Mr. Larry Stevens

NAY: None

ABSTENTION: None

ABSENT: Dr. Tyree Seals, Mr. Phillip Morgans

5. EMS's Participation in the American Ambulance Association

Mr. Williamson tabled Item #5 until the next regularly scheduled meeting on April 25, at the Best Western, in Stroud, Oklahoma, due to the fact Dr. Rodgers has another obligation and must leave the meeting.

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6. Payment of EMSA's American Ambulance Association Related Travel

Mr. Williamson tabled Item #6 until the next regularly scheduled meeting on April 25, at the Best Western, in Stroud, Oklahoma, due to the fact Dr. Rodgers has another obligation and must leave the meeting.

7. Medical Director's Report

Dr. Goodloe is attending a funeral of a good friend who passed away recently. He has submitted a report for the Board to read in his absence.

8. New Business

Mr. Williamson introduced Mr. John Peterson as the new Chief Operating Officer of Paramedics Plus. Mr. Williamson passed out an article from JEMS (Journal of Emergency Medical Services) to the Board. The article is about "Speed Loading", which is a process that uses bar coded bins, each containing a set inventory and assigned to a location within each ambulance. The speed loading system is known to improve both cost and efficiency in the systems that use it. Mr. Peterson, as Director of Operations at Sunstar EMS in Pinellas County, Florida, was asked along with Paramedics Plus Chief Operating Officer Jeff Taylor to share how the process of speed loading improved their system. Mr. Peterson comes to EMSA highly recommended and Mr. Williamson is excited to have him here.

9. Trustees' Reports

Ms. Lillian Perryman reported that Integris Hospital was visited by the White House medical staff recently when they were in the area due to a visit by President Obama. They surveyed the emergency services available, the operating room capabilities, and other areas of the hospital. Ms. Perryman noted that as she took the staff out to the area where the ambulances were located, one of the White House medical staff members commented he was aware EMSA was one of the best ambulance services in the nation. He indicated EMSA is highly recognized at a national level, citing the quality of outcomes EMSA is known for.

Dr. Rodgers is concerned about the articles in the newspaper and how they are affecting the public's opinion of EMSA as a quality organization which provides life-saving services 24 hours a day. He is concerned EMSA is being forced to use their resources to answer requests and ready documents for the Tulsa World. He wonders how much time and manpower is being required of EMSA as an organization, and believes some things being asked for are not covered by the Open Records Act. Dr. Rodgers is very concerned citizens will opt out due to the articles, thereby hurting the people who could have been helped by the Utility Fee Program the most. Dr. Rodgers would like to know the purpose of the articles, and questions if, in the end, the articles will provide better healthcare and survival

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rates to the public. He feels EMSA is an excellent EMS provider as it is, and is of the opinion the articles may be damaging a good organization (EMSA).

Mr. Bird stated he is concerned, as well, and does not want citizens to feel that EMSA is not providing first rate ambulance service. He stated a former Tulsa Fire Department Chief approached him today with the same concern. Mr. Bird also hopes people will not opt out of the program, as he feels it is a tremendous value for the public, and does not feel the administrative issues are as serious as they are being portrayed. However, he believes the articles may have a silver lining, resulting in the cities and the Board becoming more engaged in administrative decisions with a better understanding of how the business works.

Dr. Rodgers feels if the Board must look at specifics of contracts, such as that of Works & Lentz, it could be considered micro-management. Mr. Bird is of the opinion that if the Board has a greater involvement in procedures such as policy development, and an opportunity to vet business practices, it will increase transparency.

Dr. Griffin believes both EMSA's quality of service and its management EMSA have been very good. EMSA's services are cost effective compared to the rest of the country, which he attributes to EMSA's management. He understands it is often a conflict as to how much a Board should meddle with the CEO if he's doing a good job, and feels too much Board interaction can sometimes poison the atmosphere of the CEO. Mr. Bird agreed.

12. Next Regular Meeting

The next meeting of the EMSA Board of Trustees will be on Wednesday, April 25, 2012 at 1:00 pm at the Best Western Motel, located at 1200 N. 8th in Stroud, Oklahoma. The meeting is being held in Stroud for the purpose of executive sessions.

13. Adjourn

The meeting was adjourned at 2:15 pm.

Ann C. Laur, Secretary

Date: