A New EMS Delivery Model - Fire Alliance



State Agencies and Their Role in Public Policy





CAA Vision

Assure delivery of excellent pre-hospital care to the people of California by promoting recognized industry best practices.

CAA Mission

- Serve as the voice and resource on behalf of private enterprise emergency and non-emergency ambulance services.
- Promote high quality, efficient and medically appropriate patient care.
- Advocate the value that pre-hospital care provides in achieving positive patient outcomes.
- Promote effective and fiscally responsible EMS systems and establish standards for system design.

CAA Leadership

BOARD OF DIRECTORS

Chair | Eb Muncy

Vice Chair | Alan McNany

Secretary/Treasurer | Edward Guzman

Directors | Richard Angotti | Jimmy Pierson | Todd Valeri | Michael Williams | Brian Hartley

Sergeant-at-Arms | Josette Engman

STAFF

Executive Director | Ross Elliott | relliott@the-caa.org

Administrative Director | Kim Oreno | kingersoll@the-caa.org

 $\textbf{Legislative Advocate} \,|\, \textbf{Chris Micheli} \,|\, \textit{cmicheli@apreamicheli.com}$

Accountant | Tricia Schrum, CPA | tricia@camgmt.com

Meeting Planner | Jennifer Blevins | jennifer@camgmt.com



California Ambulance Association

2520 Venture Oaks Way, Suite 150 Sacramento, CA 95833 (877) 276-1410 (toll free) (916) 924-7323 (fax) www.the-caa.org

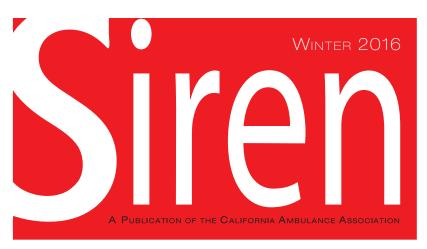


Table of Contents

- 1 | Chair's Message | Eb Muncy
- 3 | Executive Director's Report | Ross Elliott
- 4 | Legislative Update | Chris Micheli, Esq.
- 6 | **Feature Article** | A New EMS Delivery Model Fire Alliance | Ross Elliott
- 8 | Feature Article | A Look at Competing November Ballot Measures to Increase Taxes and Wages | Chris Micheli, Esq.
- 10 | Feature Article | State Agencies and Their Role in Public Policy | Thomas Nussbaum & Chris Micheli
- 12 | **Feature Article** | A Look at Competing November Ballot Measures to Increase Taxes and Wages | *Chris Micheli, Esq.*
- 14 | Member Profile | Hall Ambulance

Editorial Information

The views and opinions in the articles herein are not to be taken as official expressions of the publishers unless so stated. The publishers do not warrant, either expressly or by implication, the factual accuracy of the articles herein, nor do they so warrant any views or opinions offered by the authors of said articles. Manuscripts and queries should be directed to Editor, the *Siren* at the address listed below.

 $\ \odot$ Copyright 2016 California Ambulance Association. No material can be reproduced without the express written consent of the publisher.

Circulation among California's private ambulance providers, elected officials and EMSA administrators.



Chair's Message



Eb Muncy I Chair of the Board

orty-four years ago I ran my first ambulance call. If someone were to describe what the ambulance industry would look like today forty-four years ago I would not have believed them. Many of the tools we use today, did not exist. We were not allowed to do many of the things our paramedics do routinely today. On a personal level the only license I needed was issued by the Department of Motor Vehicles. All I needed was an advance first aid card or proof of completion of an EMT program. I did not have to show proof of completion of my medical program to a governmental regulator. Government regulations were few and only loosely enforced. The CHP did regulate the business, but they only looked at the mechanical conditions of the ambulances and if they had rudimentary medical supplies. Most areas of the state had open competition. Fire departments were just starting to respond to medical aid calls.

Today, there are a myriad of state of local agencies that tell us how operate our ambulances, pay our employees, what employee benefits we must give them and what we must do to protect our employees from harm. There are other regulators that tell us how to handle our medical waste, dispose of the "hazardous waste" generated by our mechanics and how much we can

charge for our services. If we don't comply, we are subject to significant fines and penalties that did not exist forty-four years ago.

Forty-four years ago, we had control over our billing. I could to choose whether I wanted to bill the patient rather than Medicare, Medi-Cal, or their insurance company. But under all circumstances the patient was ultimately responsible for their ambulance bills. In many circumstances this is no longer true today.

The one thing I can tell you is that you do not need a soothsayer to know that in the forty-four years from now the ambulance industry will change as dramatically as it has in the last forty-four years. We can see it on the horizon. Community paramedicine, treat and release, alternative destinations and the evolving heath care reimbursement models will change the way we bill for and treat our patients. Just as important, the way we operate our business and pay our employees will change. We will be more regulated, not less.

The problem with the changing landscape is that some changes slowly evolve, others



Chair's Message

Continued from page 1

blindside us with little warning. There are a group of large ambulance companies that are looking at the possibility of a provider tax to help with Medi-Cal reimbursement rates. This is not without critics. One thing you can be assured is that the debate will take place. Whatever comes out of the debate, you will be impacted. If the solution is a provider tax, you need to be prepared before you get the tax bill.

Ross Elliott has an article in this month's Siren that describes a new model for awarding EOA's. If you operate an emergency ambulance service, you had better be prepared to address this model. But more importantly, this will not be the last model. To be competitive you must understand what is being proposed both statewide and on a national basis and be prepared to make changes in your business model, otherwise you will be likely forced out of business.

So what is the best thing you can do to be prepared for the future challenges? The most important thing is to keep educated

on the trends in the ambulance industry. If you do not know what is coming, you will not be prepared. This may cost you lots of money or even your business. The second most important thing is to participate in the debate. You likely have good ideas, but unless you tell someone, the ideas are worthless. Even if you lose the debate, knowledge of why the changes were made, helps in implementing those changes allowing you to stay in business and save money.

It is unlikely you have the resources to keep abreast of the proposals being made by the various stakeholders. It is unlikely you have the resources to hire a lobbyist to keep you informed of the various laws and regulations under consideration in Sacramento. Unless you are a very large ambulance service provider, you are not large enough to have a seat at the table during the debate. However, you do have a tool that can help you meet the challenges. That tool is the California Ambulance Association.

Your membership helps you get the education you need. But if you really want to be prepared you need to participate. You do not have to be a board member. CAA's various committees debate the various issues that affect your business. If reimbursement is important to you, CAA has the Payor Issues Committee. If legislation is important to you, CAA has the Legislative & Agency Relations Committee. These, and other committees do impact the direction the ambulance industry is going. Your input will help steer it in the right direction. The networking contacts made by participation are valuable. Just talking to other providers, who face the same problems you do, may give you solutions that you did not think about.

As long as the CAA exists it will continue to advocate for ambulance providers like yourself. The decision whether to be a member of CAA and how much your company participates is your choice. You can rely on others or help direct your own destiny. Whatever choice you make it will impact the way your do business for years to come. *



CAA Membership is a Business Essential

he business environment, the healthcare sector and the EMS industry are evolving at an ever-increasing pace. At the CAA we are dedicated to providing members with the essential tools, information, resources, and solutions to help your organization grow and prosper. And, the CAA's collective efforts on statewide legislative and regulatory issues are not possible without strong membership support and engagement.

Take your place in California's statewide ambulance leadership

Membership not only saves you money on CAA events and resources, but also keeps you up to date on trends, innovations, and regulatory changes through:

- Leadership on statewide legislative and regulatory issues
- Targeted conferences & educational programs
- Member-only updates and alerts
- Member-only discounts & access to expert resources
- Opportunities to exchange ideas with your colleagues statewide

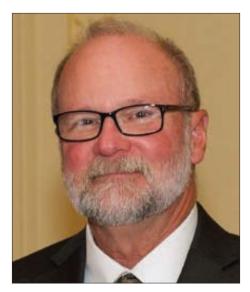


Join the California Ambulance Association

Go to www.the-caa.org/membership for a membership application.



Executive Director's Report



Ross Elliott | Executive Director

Stars of Life Awards -**Recognizing Our Heroes**

AA's annual Stars of Life Celebration iwas held on March 7 in Sacramento. This was a time of celebration when our member ambulance companies identified and honored their heroes. The Spring issue of the Siren will be dedicated to that event.

Operations personnel sometimes find themselves in difficult life-threatening situations, and it is those times when opportunities arise and heroics acts are performed. But, it does not always have to be some extraordinary circumstance to be a hero. And, heroic acts are not the exclusive domain of operations personnel.

The delivery of EMS care is a *team sport*. Direct patient care is provided by a legion of highly trained, competent, visible paramedics and EMTs. But, it is the entire cadre of the behind-the-scenes support personnel that makes the efficient and highquality delivery of care possible. Whether they be dispatchers, mechanics, technicians, maintenance staff, billing/accounting staff, trainers/educators, QI coordinators, customer service reps, administrators, or others, all play a key and vital role in facilitating the delivery of emergency medical services. As a result, the behind-thescenes personnel may also do heroic acts in the performance of their duties.

It is the Stars of Life celebration that provides the opportunity to spotlight some of the behind-the-scenes personnel as well as the front-line operational crews for a wide range of heroic acts. A heroic act may be things like reviving a near-drowning victim, rescuing a patient from a burning vehicle, restoring a normal heart rhythm of a cardiac arrest patient. Or, heroic acts may be deeds such as being an exemplary employee and setting a good example for others, breaking a company achievement record, significant community contributions, providing community leadership, or other outstanding actions to improve the lives others. A wide range of heroic acts are worthy of recognition and celebration.

There are those Stars of Life recipients that may think the award is undeserved with the thought that, "I was just doing my job." But, doing the job is important, and doing it well is deserving of recognition. Not everyone can do EMS work; those that work in this field are special. A Star of Life award is a way for the rest of us to say thank you for a job well done; thank you for doing what most of the population cannot do - thank you for being there every day.

It is with this spirit that we celebrate this year's Star of Life award winners. Congratulations to all of you.



Legislative Update



Chris Micheli I Legislative Advocate

Looking at the Upcoming 2016 Session

■he 2016 Legislative Session began on January 4. Shortly thereafter, the Governor presented his 2016-17 budget and delivered his State-of-the-State address. February 19 marked the deadline for introducing new bills for the 2016 Session, although new proposals can and will appear throughout the year. Both policy committee and budget subcommittee hearings beginning in earnest in mid-March. Due to a constitutional provision, this year's session will conclude on August 31 and the Governor will have until September 30 to sign or veto bills sent to him.

Although always difficult to predict, 2016 will likely be another challenging year for the CAA and its members. There will likely be continued pressures on CAA members as employers operating in this state, and we will be working on determining whether a provider fee/tax can be implemented successfully in this state. We will continue to be involved in issues primarily affecting the ambulance industry, but we will also be active in legislation and regulations that impact our businesses as employers in California.

With the fall election, all 80 Assembly seats and half (20) of the Senate seats will be voted upon. We also anticipate having as many as two dozen measures on the statewide ballot ranging from initiatives to raise the minimum wage, tax certain property at a higher rate, and extend or make permanent higher personal income tax rates. The new Legislature will be seated at noon on the first Monday in December.

We welcomed CAA members and their Stars of Life to our annual legislative conference on March 7-8. As part of our legislative program, we asked our member companies to escort their Stars to the Capitol for meetings with legislators and their staff to educate our elected officials about the ambulance industry and the valuable work of our Stars. This was also a wonderful time to highlight our work in communities across California.

We ask that you continue to emphasize the following points with your Senators and Assembly members:

- Emergency ambulance service is essential for all Californians. It is the first component of the healthcare safety net and the public expects our state's 9-1-1 system to quickly respond in a medical emergency.
- While all Medi-Cal providers are underpaid in California, ambulance companies are unique because they must treat all patients within a contracted period of time. Unlike other health care providers, ambulance providers cannot pick and choose their patients, as ambulance providers respond to, treat and transport all emergency patients without regard to a patient's ability to pay.
- Medi-Cal pays ambulance providers less than a quarter of what it actually costs a provider to treat and transport a patient in California.



Legislative Update

Continued from page 4

• The current Medi-Cal base reimbursement rate is less than \$120 and the average reimbursement including additional charges is \$150. On average, ambulance providers lose approximately \$439 per Medi-Cal patient they serve. Currently, no state or federal funding is provided to offset uncompensated care and charity care for ambulance services.

We will also be participating in CPR Day at the Capitol and EMS Week, both of which will be held in mid-May. These important educational opportunities will once again be led by Assembly Member Freddie Rodriguez.

We are occasionally asked what my firm does for CAA and its member companies as the Legislative Advocate. Fundamentally, I serve as the eyes and ears for the ambulance industry at the State Capitol in order to look

out for CAA members and their interests. Among the services we provide are:

- On-going client communications and updates regarding legislation, regulations, budget, and Governor's actions of interest to CAA.
- Regular meetings and discussions with Governor's Office, Dept. of Finance, DHCS, legislators, staff, and committee consultants regarding state budget and legislative issues on behalf of CAA.
- Participating in Board and committee conference calls and meetings.
- Distributing CAA position papers to committees, legislators and Administration officials.
- Monitoring and testifying at Senate and Assembly committee hearings.

- Lobbying for and against bills based upon positions taken by the Board as recommended by the Legislative and Regulatory Affairs Committee.
- Reviewing all introduced (about 2,500 per year) and amended bills (more than 8,500 per year), as well as committee and floor bill analyses (more than 7,500 per year), to determine the impact of proposed legislation on CAA.
- Circulating news and developments of interest to CAA used in member communications.

We look forward to continuing to work with CAA and its member companies to promote and protect your interests at California's State Capitol. *



When it comes to EMS Billing, We don't miss a beat.

Because our focus is EMS Billing, you are able to spend more time at what you do best, patient care. CCSB is able to increase revenues and profits for you because we:

- Provide excellent customer service to patients with billing questions or problems.
- · Reduce accounts receivable aging, by following up on every claim we send out.
- Use our state-of-the art billing and coding software, ensuring quick processing of claims.
- Stay up-to-date on all the changes with state and local payers, so claims are paid quickly.
- Provide you with detailed reports of exactly how your service is doing.

Professional Billing means Professional results!

Call us today to find out more about how you can increase your billing collection rate.



Critical Care Specialty Billing 5050 Avenida Encinas, Suite 230 Carlsbad CA 92008 760-439-6581 • ccsbinc.com



A New EMS Delivery Model - *Fire Alliance*

Ross Elliott I CAA Executive Director

new model for the delivery of ambulance services in California was implemented in late 2015 in Contra Costa County. An alliance has been formed between Contra Costa County Fire Protection District (CCCFPD) and American Medical Response (AMR). The *fire alliance model* is a potential game changer for private ambulance companies wishing to obtain exclusive operational contracts.

The fire alliance model is a potential game-changer for private ambulance companies wishing to obtain exclusive operational contracts.

Under California law, there are two ways for an ambulance company to obtain an exclusive operational contract. One is to be grandfathered in. That is, long-time providers that meet specific statutory criteria may be allowed to continue to provide services exclusively, at the discretion of the local EMS agency. The second method is to be the victorious proposer of ambulance services through a competitive process and then execute a contract with the local EMS agency. Grandfathering and competitive processes are the only two means, by law, to obtain an exclusive ambulance operations contract – until now.

In the parameters of the Contra Costa County *fire alliance*, AMR was hired by the county fire department (CCCFPD) to potentially provide exclusive pre-hospital emergency ambulance services. The alliance is formed long before the local EMS agency holds a competitive process to select an exclusive ambulance provider. The partnership was formed such that if the *fire alliance* became the successful proposer in the local EMS agency's competitive process, then the *fire alliance* wins the exclusive contract and the partnering ambulance company gets to operate as an exclusive provider. In the case of Contra Costa County, the *fire alliance* did win the exclusive contract. In fact, the *fire alliance* submitted the only bid.

Opponents of the *fire alliance model* speculate that only one bid was submitted in the Contra Costa County EMS agency's competitive process because for "outsiders", they would be fighting a losing battle. The county already formed a partnership with their ambulance-company-of-choice long before the local EMS agency RFP was issued. Submitting a proposal to compete against such an *alliance* is seen as a waste of time and money – a pointless endeavor.

It is unclear as to how CCCFPD selected AMR to be its partner in the alliance. It is unclear as to how other ambulance companies were or were not offered the opportunity to fairly compete for this partnership. At the time of writing this

... the forming of such an alliance may become a key factor in securing an exclusive operational contract. article, this issue is still being researched. But, it is known that the county's selection of an ambulance company partner in advance of the local EMS agency's formal competitive process, allowed the fire department to bypass the standards and scrutiny of the State EMS Authority's typical oversight of competitive processes.

In the future, if other counties opt to use the *fire alliance model*, the step in which the fire department chooses an ambulance company to partner with becomes crucial. Obviously, the forming of such an *alliance* may become a key factor in securing an exclusive operational contract.

Regardless of how the ambulance partner was selected by CCCFPD, the *fire alliance model* changes the dynamics and relationship between private ambulance companies and the local fire department. And, it changes the relationship between private ambulance companies and the local EMS agency (LEMSA).

In a *fire alliance model*, the ambulance company works for the fire department – not the LEMSA. The ambulance company becomes a vendor for the fire department, and the fire department contractually holds the ambulance company responsible for performance. Essentially, the private ambulance company is subordinate to the fire department. The private ambulance company is no longer an independent autonomous service provider in the EMS system. The *alliance* upsets the balance of power of local EMS systems; authority is



Continued from page 6

taken away from private ambulance service and moved towards the fire department.

The fire alliance model potentially makes the fire department the most powerful entity in the local EMS system.

In a fire alliance model, the LEMSA holds the *alliance* responsible for compliance with standards and performance – not the ambulance company. In other words, the LEMSA cannot terminate the ambulance company contract for non-performance. Rather, the LEMSA must hold its own fire department responsible for performance. Enforcement of LEMSA policies and standards can be problematic in a situation where a county fire department holds considerably more political clout and public support than a LEMSA. The alliance upsets the balance of power of local EMS systems; authority is taken away from the LEMSA and moved towards the fire department.

The *fire alliance model* potentially makes the fire department the most powerful entity in the local EMS system. The local EMS agency's regulatory authority is compromised, and the private ambulance company's ability to be an independent voice is restricted.

Proponents of the fire alliance model tout the additional revenue the fire department will be bringing in to the county. Recent changes in state law provide an avenue for public agencies providing ambulance service to enjoy improved Medi-Cal reimbursement rates and be well reimbursed for all EMS/ ambulance-related public expenditures for Medi-Cal and Medicare calls. The financial enhancements are solely for those public agencies providing ambulance service. However, when a county fire department forms an *alliance* with a private ambulance company as occurred in Contra Costa County, the fire department qualifies for the enhancements.

This is a strong financial incentive, and the *fire alliance mode*l becomes attractive to county administrators and city managers eyeing budget shortfalls.

For a fire department to qualify for enhanced reimbursement, the department must be responsible for billing for the ambulance services. In a *fire alliance model*, the ambulance company is no longer responsible for billing or collections; this becomes a job for the fire department. The public agency must be responsible for and be at risk for billing to qualify for enhanced reimbursement.

In the Contra Costa County alliance agreement, AMR is paid a specific rate for unit hours of service. The ambulance company is not responsible for billing patients or collections. The private ambulance company's risk and effort to get paid is greatly reduced, and revenue is predictable.

It is unknown if the enhanced revenue to public agencies for Medi-Cal and Medicare calls will survive in the long term. It exists today. But, the cost to CMS will increase over time, and the entire program may not be sustainable as more and more public agencies draw funds from this source.

In the short term, the *fire alliance model* may be financially advantageous for the chosen private ambulance company. But, in the long term, how will this arrangement affect innovation and improvements? Profits are used to improve care, increase quality, and innovate. Are those opportunities a thing of the past, in a *fire alliance model*?

The fire alliance model recently implemented in Contra Costa County is interesting, potentially controversial, and may significantly impact EMS in California. Its long term impacts are simply speculations at this point. But, one thing is certain - the method by which a fire department selects an ambulance company partner must be open, fair, and transparent. All interested and qualified ambulance companies must have a real opportunity to compete to be the partner. Bypassing the EMS Authority's oversight over the selection of an ambulance company for an exclusive operational contract is a huge weak link in the fire alliance model. *





A Look at Competing November Ballot **Measures to Increase Taxes and Wages**

Chris Micheli I CAA Legislative Advocate

here are several proposed ballot measures that may be on the November statewide ballot that would make significant changes to California's minimum wage and tax laws. This article takes a brief look at the three competing tax increase measures, as well as two competing minimum wage measures. California ambulance companies should be aware of the potential implications that any of these measures will have on their business.

COMPETING TAX INCREASE INITIATIVES FOR 2016 BALLOT

- A proposal by the California Hospital Association and SEIU-UHW that would expand and make permanent income tax increases on California's highest earners but also allow Prop. 30's sales tax increase to expire in 2016, as scheduled
- A plan by SEIU-UHW and the California Teachers Association that would extend the income tax increases under Prop. 30 until 2030 and would let the sales tax increase expire in 2016, as
- A third measure would impose a significant surcharge on property valued over \$3 million

"The School Funding and Budget Stability Act of 2016," No. 15-0065

This measure would extend until 1/1/2031 the personal income tax rates established by Prop. 30 and dedicate the funds entirely to schools, without the ability of the

Legislature to suspend or withhold funds even in a state budget crisis. The measure also exempts these funds from the State's Rainy Day Fund established by voters in 2014 by Prop. 2 (requiring a portion of state revenues be allocated to the state budget reserve and to paying down debt).

In Section 3 of the measure, the following statements of purpose and intent are set forth:

- "(a) The chief purpose of this measure is to protect our schools by temporarily extending current income tax rates on wealthy Californians, instead of awarding a huge tax break to couples earning more than half a million dollars a year, or individuals earning more than a quarter million. Instead of sending money back into the pockets of the wealthy, this measure sends the money to a special account that must be spent exclusively on schools.
- "(b) This measure is intended to keep California on a track toward balanced budgets and reliable funding for schools and community colleges, preventing a new round of devastating cuts to public education and a return to the days of chronic budget deficits and funding cuts.
- "(c) This measure guarantees in the Constitution that the revenues it raises for schools will be sent directly to school districts and community colleges for classroom expenses, not administrative costs. This school funding cannot be suspended or withheld no matter what happens with the state budget."

"The Invest in California's Children Act," No. 15-0070

This measure would make permanent the Prop. 30 personal income tax rates after 2019, plus add additional, higher rates for those earning above \$1 million per year (individuals) or \$2 million (married, filing jointly) with the highest bracket of 14.3%, and earmark the funds for education (including preschool and child care, as well as CSU and UC systems) and healthcare. This measure would extend the Prop. 30 personal income tax rates after 2019, plus add an additional amount for those earning above \$1 million per year with the highest bracket of 14.3%, and earmark the funds for education (including preschool and child care) and healthcare.

Among the numerous intent statements found in Section 1 of this measure are the following:

- "(q) The Invest in California's Children Act continues voter approved taxes on Californians earning more than \$290,000 a year, while also imposing new and modest taxes on earnings in excess of \$1,000,000 per year. These funds will support education, healthcare, childcare, and preschool.
- "(r) The Invest in California's Children Act also makes California's tax rates fairer. If voter approved taxes on those earning more than \$290,000 a year expire as scheduled in 2018, a millionaire will pay the same marginal income tax rate as an individual making \$57,000 a year.



Continued from page 8

"(s) Under The Invest in California's Children Act, all tax revenue from this Act is guaranteed to go directly to education, healthcare, child care, and preschool."

"Lifting Children and Families out of Poverty Act," No. 15-0043

This measure would impose an additional surcharge on real property with an assessed value of over \$3 million. The surcharge would be based upon a sliding scale ranging from 3/10 of one percent for real property assessed at \$3 million, to 8/10 of one percent for real property assessed at \$10 million or more. The revenue raised would be allocated to numerous programs designed to reduce poverty, including prenatal services, expanded childcare, early childhood education, after-school and summer programs, job training grants, tax credits, and monetary aid. The surcharge would be in effect for 20 years. The LAO estimates increased state revenues of \$6-7 billion annually.

COMPETING MINIMUM WAGE INITIATIVES PROPOSED FOR 2016 BALLOT

- The first measure proposes raising the statewide minimum wage to \$15 per hour
- The second measure proposes raising the statewide minimum wage to \$15 per hour, as well as increasing paid sick leave to 6 days per year
- Existing law raises the statewide minimum wage to \$10 per hour on January 1, 2016
- The cities of Los Angeles, Oakland and Berkeley have approved increases to \$15 per hour (currently there are 14 local jurisdictions with a higher minimum wage than \$9)
- SB 3 (Leno) would raise the statewide minimum wage to \$13 per hour by 2018;

- that measure was held on the Assembly Appropriations Committee's Suspense File
- Based on household surveys, the LAO estimates that roughly one-quarter of California workers - currently estimated at 4 million people - make less than \$13 per hour. Occupations with large numbers of low-wage workers include food preparation and service, building and grounds cleaning and maintenance, and retail sales
- · According to the LAO, workers in inland California generally receive lower wages than workers in the state's coastal areas (e.g., median wages in San Francisco and San Jose are more than 50 percent higher than median wages in Fresno and Bakersfield
- In May 2015, California's statewide unemployment rate was close to 6 percent, but a few coastal counties had unemployment rates below 4 percent. In contrast, a dozen counties - all in the inland part of the state - had unemployment rates above 9 percent

Service Employees International Union State Council (the state's largest union)

- Raises the minimum wage to \$15 an hour by 2020
- Thereafter, the amount is adjusted annually based on the rate of inflation of the prior year by using the California CPI
- Requires at least six paid sick days a year
- Will have \$20-30 million in campaign funding from the State Council

SEIU United Healthcare Workers West

• Raises the minimum wage to \$15 an hour by 2021 (\$11 on 1/1/17; \$12 on 1/1/18; \$13 on 1/1/19; \$14 on 1/1/20; and, \$15 on 1/1/21)

- Thereafter, the amount is adjusted annually based on the rate of inflation of the prior year by using the California CPI
- Has been endorsed by Lt. Gov. Gavin Newsom
- Already collected the 366,000 signatures needed to qualify for November 2016 ballot

California's November statewide ballot could have as many as two dozen measures. What impact that will have on the electorate remains to be seen. Among those that have already qualified for the November 8 ballot include:

- Referendum to overturn California's law banning single-use plastic bags in grocery
- Initiative measure targeting hospital fees and Medi-Cal matching funds from federal government by requiring 2/3 vote of the Legislature to amend hospital quality assurance fees
- Initiative measure on school bonds funding for K-12 school and community college facilities in the amount of \$9 billion, would divide the money as follows: \$3 billion for new K-12 school construction; \$3 billion for K-12 school modernization: \$1 billion for charter schools and vocational education centers; and, 2 billion for community colleges
- Initiative measure to require statewide voter approval before any revenue bones can be issued or sold by the state for projects exceeding \$2 billion
- Initiative measure to require performers in adult films to use condoms during filming *

Chris Micheli is an attorney and legislative advocate for the Sacramento governmental relations firm of Aprea & Micheli, Inc. He can be reached at 916-448-3075.



State Agencies and Their Role in Public Policy

Thomas Nussbaum | McGeorge School of Law Chris Micheli | CAA Legislative Advocate

alifornia's agencies, as well as the departments, boards and commissions under them, engage in a tremendous amount of public policymaking through both the rulemaking process and their interpretation and enforcement of existing statutes and regulations. These agencies are the ones who generally run the day-to-day operations of state government and implement the statutes adopted by the Legislature and signed by the Governor.

With over 200 of these entities in California government, these state agencies by policy by adopting regulations and implementing statutes. Moreover, they engage in policy making when these agencies issue guidelines, legal opinions, management memos, and other written documents that interpret the laws and implementing regulations.

Practitioners should be aware of the California Constitution Article III, Section 3.5 provides that an administrative agency has no power to declare a statute unenforceable, or refuse to enforce a statute, on the basis of it being unconstitutional unless an appellate court has made such a determination. And agencies have no power to declare a statute unconstitutional.

This, for instance, when a Los Angeles Superior Court recently held that various teacher tenure and dismissal statutes were unconstitutional, local school districts, the Superintendent of Public Instruction, and the Department of Education were without authority to implement this decision. Without an appellate court ruling on the matter of constitutionality, local and state agencies must continue to abide by the challenged law.

When dealing with a given state agency, it is important first of all to know whether it is a plural executive, independent, or Governor's line authority agency. Generally speaking, the Governor has less control over "plural executive" and "independent" agencies. These separate agencies are generally able to manage their daily affairs and conduct rulemaking without supervision or oversight from the Governor. On the other hand, the Governor has considerable authority to manage line authority agencies, including the ability to direct or restrict their rulemaking activities.

When dealing with agencies that are under the line authority of the Governor, it is important to know where they fit in terms of the organizational hierarchy. Departments or agencies that are under larger agencies or departments are subject to supervision and coordination by those agencies or departments. Their interactions with the Governor also tend to be limited.

However, when it comes to rulemaking (i.e., the adoption of regulations under the state's Administrative Procedures Act), the supervising or coordinating agencies usually allow significant latitude to the agency or department that is directed by statute to adopt such regulations.

Generally speaking, the authority of State agencies to adopt policy (by their rulemaking ability) is defined and restricted by statute. State statutes usually prescribe each agency's authority to adopt policy; and, it is an established principle of administrative law that an agency cannot go beyond its legally-prescribed authority to regulate.

On the other hand, many statutes confer broad powers to some state agencies regarding matters that directly affect the general public (such as the Department of Motor Vehicles, the Air Resources Board, and the Department of Fair Employment and Housing). The regulations and administrative practices of these agencies affect millions of Californians in their daily lives.

Interested parties have significant access to the rulemaking activities of state agencies by virtue of the California Administrative Procedure Act (APA). In addition, every state agency is required to annually adopt a "rulemaking calendar" (Government Code Section 11017.6) that describes regulatory actions the agency anticipates taking during the calendar year. The APA is overseen by the Office of Administrative Law (OAL).

The OAL website includes helpful information for interested parties to track pending and adopted regulations. OAL also produces a guidebook on the rulemaking process that is of value to those who are getting acquainted with the APA process or those participating in the rulemaking process for the first time. In either instance, it is important to understand the rulemaking process and the role of state agencies.

An interesting phenomenon is that businesses cannot rely in good faith upon the written determinations issued by state agencies. For example, even if a business asks for and receives written guidance from a state agency as to how a law is interpreted,



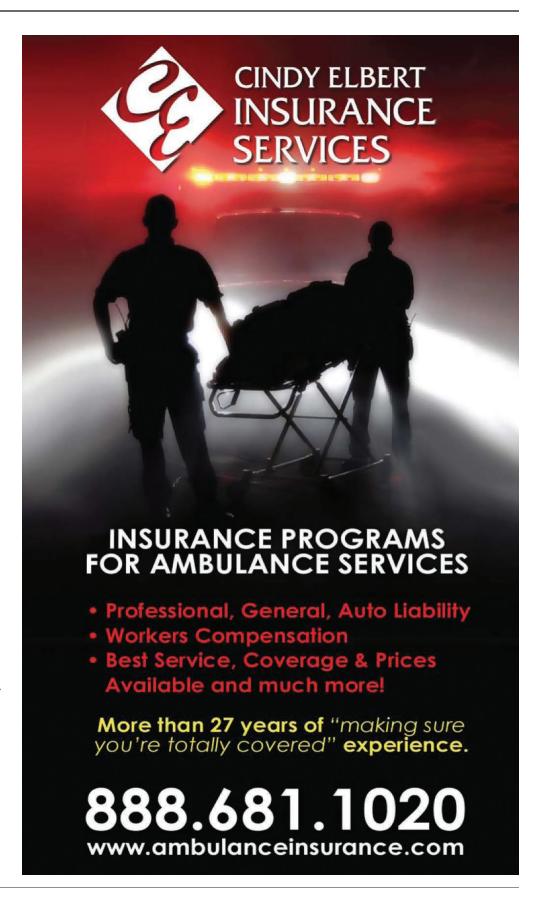
Continued from page 10

the business does not have any legal protection against a liability suit. This is an instance where the state agency's written interpretation is not given any legal weight by a reviewing court. The courts can consider these determinations, but they do not provide an affirmative defense to those receiving them.

In other words, despite being charged with interpreting, implementing and enforcing California statutes and regulations, individuals and businesses that obtain written guidance from state agencies have no protection from legal liability even if they follow that guidance. However, there are a few agencies that provide limited protections. For example, the Fair Political Practices Commission has advice letters to requesters that provide immunity from liability. The Franchise Tax Board and the Board of Equalization each have Chief Counsel Rulings that provide protection to taxpayers.

State agencies play a key role in public policy development in California through their rulemaking activities, as well as their interpretation and enforcement of statutes and regulations. There are both public (through interested parties) and private (Administration with line control agencies) influences on these agencies in their policy role. *

Thomas Nussbaum is the former Chancellor of the California Community Colleges. Chris Micheli is a lobbyist with Aprea & Micheli, Inc. Both are Adjunct Professors of Law at McGeorge School of Law.





The Number One Cause of Workplace Injury: Overexertion!

Gary L. Jarvis, Sr. I Assured Ergonomic Innovations

verexertion ranked first, 25% of all workplace causes, as the leading causes of disabling injury. This event category, which includes injuries related to lifting, pushing, pulling, holding, carrying and/or awkward positioning.

How do you know if your New-Hire Candidates can safely perform the physical demands of your job? There are three basic steps that must be taken to develop and implement Safety Solutions physical ability employment testing program:

1. Ergonomic Job Task Analysis by a trained specialist

The Job Task Analysis identifies the essential functions of the job and documents the physical demands. The Job Task Analysis is performed onsite to capture specific job requirements including strength, endurance, and postural demands.

2. Selection of Job-Related Test

Based on the job analysis, the most appropriate test battery is developed. The

purpose is to ensure that the test results are job-related, objective, reliable data concerning the ability to perform the job task required as it pertains our specific guidelines to meet the requirements of ADA, EEOC and other legal issues related to employee testing.

3. Test Administration

The test is administered by a trained, certified Test Administrator to ensure the test is administered correctly following the test battery protocol and guidelines for each applicant.

How it Works

New Hire candidate(s) are offered employment on a conditional offering, based on their individual performance and a Pass Score on the Physical Ability Test.

Test data send by the Certified Test Administrator for score and rendering a Pass/Fail decision within 24 hours.

Legal Issues

The Uniform Guidelines for Employee Selection Procedures and Title I of ADA, employment tests must objectively assess the new hire candidate's ability to perform the essential functions of the job in a manner that is highly job-related. We provide a test battery validation document that described the entire development and implementation process as required by EEOC.

Quality Assurance/Quality Monitoring

Ongoing monitoring for quality control, data management, ongoing validation studies, expert witness for employee screening and if called upon testify to the program development documentation and how the program meets the legal requirements.

Legal Defensibility

In every legal challenge to date, successfully prevailed in over 100 legal challenges.

Continued on page 13

The California Ambulance Association is now welcoming non-members to subscribe to the *Siren* magazine. Published quarterly, the *Siren* is a comprehensive source of information on issues that are important to the ambulance industry. Contents include feature articles, association educational and networking events, legislative updates and analysis, member news and much more.



Subscribe to the Siren

The official magazine of the California Ambulance Association

CAA members receive the *Siren* as a member benefit.

1 year: \$90* 2 years: \$150*

Call (877) 276-1410 to subscribe.

*California residents, add 8.5% sales tax



Continued from page 13

Over 1 million test performed, scored and test results rendered to various industrial categories notably transportation, warehouse/distribution, bottling, airlines, healthcare and other industries with high materials or patient handling jobs.

Program Effectiveness

Employee testing with Safety Solutions and affiliates methodology has shown a decrease in new hire injury rates by 20-47% by proper identification and documentation of candidates abilities, placement and safety.

Post injury rehabilitation protocols

Return to work testing scored against known data about the physical demands of the job and individuals new hire

testing results compared against rehab progression.

Pre/Post analysis demonstrating the effectiveness of testing Cost

Staggering low compared to cost of workers' compensation insurance premiums, indemnity and medical incurred, disability rating and legal costs when you have hired the wrong person for the job.

Compare to current vendor costs with no testing validation and no defensibility.

Experience

The culmination of 32 years of clinical orthopedic, rehabilitation and research brings assured ergonomic innovations to your company in partnership and affiliation with leading ergonomic testing professionals.

Cited Reference: The Liberty Mutual Workplace Safety Index is developed based on information from Liberty Mutual, the U.S. Bureau of Labor Statistics (BLS), and the National Academy of Social Insurance.

Assured Ergonomic Innovations Ergonomic & Workplace Safety Gary L. Jarvis, Sr., PT, ATC, OT, OPA-C (Inactive), Ergonomic Consultant Direct: 714.329.4877 gjarvis@safsol.com | www.safsol.com







Hall Ambulance Celebrates 45 Years Serving Kern County



he prologue leading to the first chapter of Hall Ambulance Service's 45-yearhistory, started on a dare - literally.

In 1960, Harvey L. Hall had returned home after attending San Francisco City College, where he majored in Journalism, and held a couple of part time jobs reporting on City College sports for local newspapers.

He had taken a job with Mercy Hospital in Bakersfield, working as an orderly, when one day, after finishing his shift he ran in to a friend who was working as an ambulance driver. Hall candidly recalls telling his

buddy, "Wow, I'd never do that," to which his friend replied by daring Hall to go for a ride with him. After talking with his mother about the invitation, Hall reluctantly agreed.

The experience was so positive for him that the next day he applied for a job at Cruzan Ambulance, working as an ambulance driver for six months before joining Flinn Ambulance.

Early on, Hall's passion for caring for others became obvious. In 1965, the California Ambulance Association awarded him

with their Medallion of Mercy Award, for his efforts to save the life of a teenage girl involved in a car accident. Upon his arrival, Hall found the patient not breathing, so he initiated mouth-to-mouth resuscitation, in place of using mechanical ventilation, which he felt was not as effective. He continued his efforts throughout the six-mile transport to the hospital.

A 1967 article in The Bakersfield Californian, about a heroic life-saving attempt by Hall, contained a quote that would set the stage





Continued from page 14

for the kind of ambulance service he would eventually build. Asked how he felt after delivering the child to the hospital, Hall said, "It is my duty to perform to the greatest of my ability. I am dedicated to the ambulance industry ... towards upgrading the profession and being able to preserve lives."

Hall learned every aspect of the business, promoting up from an ambulance driver, into management; however, for Hall, something seemed to be lacking. He felt as though the quality of service could be improved. He made an offer to purchase the company, but Flinn rejected, stating, Hall would run the business into the ground within six months.

This motivated Hall to act on his instincts, and on February 10, 1971, with a \$15,000 bank loan, two ambulances, and his personal residence servicing as headquarters, Hall Ambulance Service was born.

His vision and experience during those early years laid the foundation for what would set his company apart, including how a customer should be treated; why it is important to present yourself in a proper uniform; arriving to a medical aid request in an ambulance that is showroom clean; and, how you can make someone's day just a little bit better by exhibiting compassion for their situation.

Equally important for Hall is to provide a positive work environment for his employees, providing them with the best equipment, tools, and mentorship, so that they can excel in their profession. The result is a happy, dedicated workforce who shares their employer's vision, with 48% employed greater than five years, 26% greater than ten years, and 14% greater than 15 years.

This level of care and commitment is best measured through Hall Ambulance's Quality Survey, which is mailed to every customer following transport. Five measurements of success provide valuable insight on the quality of care provided. In 2015, Hall Ambulance received a Total Combined Customer Satisfaction Rating of 94.94%. Hall reads every customer comment, and, if the service provided appeared to be lacking, the concern is acted upon. At the same time, employees who provide exemplary service receive commendation.

Whereas, Harvey's introduction to EMS began on a dare, Lavonne Hall's interest came about through sheer terror.

When she was five-years-old, Lavonne was riding in a car that was hit by a train. After a hectic ride to the hospital in the back of an ambulance, she knew what she wanted to do 'when she grew up'!

Lavonne got her EMT certificate from Reedley College in 1983; moved to Bakersfield, and started working at Hall Ambulance in 1984.

The couple started a workplace romance and exchanged vows in front of the Weill House at the Kern County Museum in 1989.

Like her husband in his early years, Lavonne gained valuable experience working and learning almost every facet of the Company, including becoming a paramedic in 1991.

In 2011, she began overseeing Hall Commercial Vehicle Service, which tends to the Hall Ambulance fleet and other commercial accounts. Her keen business





Continued from page 16



skills have resulted in significant growth and an expansion of the services offered.

Company Progress Extends Across Four-Decades

Looking back at 45 years of patient care and EMS milestones—you can see the progress of the Company split across the decades. In May 1975, Hall Ambulance launched the first mobile intensive care paramedic program in Kern County, and in June, the first non-emergency wheelchair transportation service.

Word of the quality of care provided by Hall Ambulance Service during this time resulted in numerous Kern County communities inviting Hall Ambulance to begin providing service, often times, when the previous provider would suddenly end service with little or no notice. Hall Ambulance's first expansion was to Arvin (1975), followed by Lamont (1976), Frazier Park (1978), and Tehachapi (1979).

The 1980s saw the implementation of specially configured EMS vehicles to support ambulance operations. This included the deployment of the Company's first two paramedic field supervisor units in July 1984. In July 1985, the Company placed the County's first private mobile medical communications unit into service.

During the 1990s, Hall Ambulance expanded its footprint across Kern County. In January 1994, the County of Kern requested Hall Ambulance to respond units on an emergency basis to Eastern Kern County, when the area's provider gave notice that it was immediately ceasing operations. Within an hour, Hall Ambulance had units responding CODE 3 to the desert communities of Mojave, Rosamond and California City. About the same time, Hall Ambulance entered into an agreement with the Muroc Hospital District to provide service to the rural desert town of Boron. In May 1994, the County awarded EOA 11 to Hall Ambulance Service.

In March 1995, Hall Ambulance purchased Taft Ambulance, followed by the purchase of Schaefer's Shafter Ambulance in 1999, when their respective owners decided to retire.

Perhaps the key milestone for the Company occurred in the summer of 1999, when Hall Ambulance became Bakersfield's sole 9-1-1 paramedic provider after purchasing Golden Empire Ambulance's EOA 5 permit.

As Hall Ambulance entered the 21st Century, the Company focused its efforts on embracing technology to save lives, and the addition of air ambulance and critical care transport services.

In May 2000, Hall Ambulance installed GPS automatic vehicle locators throughout the Metro system, enabling dispatchers to respond the closest available ambulance to a request for medical aid. This technology was implemented in the East Kern system in May 2005.



Continued from page 16

Certainly, the safety of the patient and ambulance crew is of the highest priority, which led the Company to install black box data recorders throughout the ambulance fleet, in December 2002.

In April 2004, Hall Ambulance began using pocket PC, and NOMAD to improve field data collection.

In December 2001, the Company launched air ambulance service with the founding of Hall Air Ambulance Service. This division was expanded in December 2009, when the Company formed Hall Critical Care Transport, offering both ground and air CCT services.

Hall Ambulance's commitment to the communities it serves extends beyond providing five-star paramedic-level care. The Company's community pride is apparent in the meticulously maintained ambulance substations located throughout each of their service areas. For the past eight years, Hall Ambulance has focused on two build from scratch projects in Rosamond and Lamont; and, major renovations to sub-stations in Shafter, Tehachapi, and the Company's newest service area, Wasco.

While the core-focus is providing 9-1-1 paramedic care, the Company's emergency medical dispatch center, known as Operational Communications Division (OCD), serves as the nerve center. OCD first achieved status as an Accredited Center of Excellence from the International Academies of Emergency Dispatch in 2011, making it one of two ACE centers operating in Kern County.

This dedication and commitment to emergency dispatch has allowed OCD to assume dispatching responsibilities for other Kern County ambulance providers, and as of October 1, 2015, the Company now dispatches 100% of all ambulance requests throughout Kern County.

In 2014, Hall Ambulance expanded service towards the northwest portion of Kern County, with the acquisition of KERN Ambulance, serving the city of Wasco, in 2014.

Celebrating a Legacy of Service and Community Giving

To commemorate Hall Ambulance's 45th Anniversary, Harvey and Lavonne Hall commissioned Twentynine Palms artist Chuck Caplinger, to produce a 9'x60' mural depicting highlights of the Company's history and EMS innovations in Kern County, on the west-facing, exterior-wall of the Hall Ambulance Community Center, located at 1031 21st Street in downtown Bakersfield.

The yearlong process started with sorting through thousands of photos from the Hall

Ambulance archives. In the end, a collection of fifteen images were selected ranging from early professional cars and paramedic equipment to today's modern, advanced life support modular ambulances.

The Hall family held an unveiling of the mural on February 10 – the Company's anniversary date. The painstakingly detailed mural not only provides a visual representation of Hall Ambulance's history, but also serves as a tribute to the significant value and contributions private ambulance companies provide to communities across the United States.

For the Hall family, it comes down to a commitment that there never be an unmet need for emergency medical transportation services in the communities served by their Company.





ALIFORNIA
BULANCE
SOCIATION

2520 VENTURE OAKS WAY, SUITE 150
SACRAMENTO, CA 95833 • www.the-caa.org
877.276.1410 (toll free) • 916.924.7323 (fax)

FIRST CLASS
U.S. POSTAGE
PAID
PERMIT #1620
SACRAMENTO, CA