

**SANTA BARBARA COUNTY  
BOARD AGENDA LETTER**



Clerk of the Board of Supervisors  
105 E. Anapamu Street, Suite 407  
Santa Barbara, CA 93101  
(805) 568-2240

**Agenda Number:**  
**Prepared on:** 10/18/04  
**Department Name:** Public Health  
**Department No.:** 041  
**Agenda Date:** Nov 2, 2004  
**Placement:** Departmental  
**Estimate Time:** 30 minutes  
**Continued Item:** NO  
**If Yes, date from:**

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**TO:** Board of Supervisors

**FROM:** Roger E. Heroux, MPA, Director  
Public Health Department

**STAFF** Nancy Lapolla, MPH, 681-5274  
Emergency Medical Services Agency

**SUBJECT:** Establishment of a Maddy Emergency Medical Services Fund in Santa Barbara County

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**Recommendation(s):**

That the Board of Supervisors:

A. Adopt a resolution to establish a Maddy EMS Fund for Santa Barbara County using funds generated by SB 635.

B. Direct the Emergency Medical Services (EMS) Agency staff to work with other interested parties to assess options for providing a permanent source of funding for a Maddy EMS Fund in Santa Barbara County once SB 635 sunsets on January 1, 2007.

**Alignment with Board Strategic Plan:**

The recommendation(s) are primarily aligned with:

Goal No. II: A Safe and Healthy Community in Which to Live, Work, and Visit

Goal No VII: A Community that Fosters the Safety and Well-Being of Families and Children

**Executive Summary and Discussion:**

Adopting this resolution will establish a Maddy EMS Fund to partially compensate hospitals and physicians for their uncompensated care of emergency and trauma patients. As directed by the Santa Barbara County Board of Supervisors on May 27, 2003, the Emergency Medical Services Agency worked with emergency physicians, politicians and other interested groups to draft legislation that would allow Santa Barbara County to increase predefined penalties, fines, or forfeitures to fund a Maddy EMS Fund. Governor Schwarzenegger signed SB 635 (Dunn), on September 22, 2004, amending Section 1797.98e. of the Health and Safety Code and adding Government Code Section 76104.1. This bill provides Santa Barbara County a means to collect

additional penalties, fines or forfeitures, as allowed under Government Code 76000, contingent on the Santa Barbara County Board of Supervisors adopting a resolution implementing a Maddy EMS Fund, stating that implementation of these provisions is necessary to the county for purposes of providing payment for emergency medical services.

SB 635 provides that "Pursuant to Government Code Section 76104.1(a), in Santa Barbara County, an additional penalty of five dollars (\$5.00) for every ten dollars (\$10.00) of base fine, or fraction thereof, shall be imposed on every fine, penalty, forfeiture collected for criminal offenses, including all offenses involving a violation of the Vehicle Code or any local ordinance adopted pursuant to the Vehicle Code, except parking offenses. Pursuant to Government Code Section 76104.1(b), in Santa Barbara County, for every parking offense, as defined in subdivision (i) of Section 1463 of the Penal Code, where a parking penalty, fine or forfeiture is imposed, an added penalty of two dollars and fifty cents (\$2.50) shall be included in the total penalty, fine, or forfeiture, together with and in the same manner as the amount established pursuant to Government Code Section 76000(b). These additional revenues shall be deposited in the Maddy EMS Fund."

SB 635 defines distribution of these funds. The Public Health Department, as the administering agency, may use up to 10% of the fund to cover administration costs. The remainder is divided between hospitals (42%) "providing disproportional trauma and emergency medical services to uninsured patients who do not make any payment for services" and physicians (58%) in acute care settings who provide uncompensated emergency and trauma care. The distribution methodology for the hospital portion will be determined by a committee of hospital administrators, in conjunction with staff from the Public Health Department's Fiscal section and EMS Agency.

On January 1, 2005, SB 635 will become effective and remain in effect until January 1, 2007 and as of that date will be repealed, unless a later enacted statute, that is enacted before January 1, 2007, deletes or extends that date. Extension of SB 635 depends largely on our being able to demonstrate that a good faith effort has been made locally to identify alternative permanent revenue streams to continue funding the Maddy EMS Fund. The bill requires that the Santa Barbara County Board of Supervisors "report to the legislature whether, and to the extent that, actions are taken by the county to implement alternative local sources of funding." For this reason, we also request that the Board direct the EMS Agency to continue to explore sources of permanent funding for the Maddy EMS Fund.

Emergency Departments and Trauma Centers represent the front line in healthcare on a daily basis and in times of disaster and bioterrorism events especially. California voters have repeatedly demonstrated support for the need to maintain these vital facilities. Recognizing the importance of the availability of prompt emergency medical care, communities around the State are implementing local funding sources to offset uncompensated care cost. In Los Angeles, Measure B increased property taxes to fund emergency care, captured 73% of the vote in 2003; Alameda County passed Measure A earlier this year, by a vote of 71%, increasing their sales tax by one half of one percent in order to provide and maintain trauma and emergency medical services throughout Alameda County. These are examples that may be explored by staff in identifying a permanent funding solution.

### **Mandates and Service Levels:**

Approval of this recommendation does impose a state-mandated local program, requiring the Board of Supervisors to report back to the legislature on actions taken to identify alternate funding sources.

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**Fiscal and Facilities Impacts:**

There is no General Fund impact or facility impact associated with this proposal. The Public Health Department (PHD) will work with the Auditor-Controller to establish the use of a trust fund, (Maddy EMS Fund). The Administering Agency may retain the actual cost for these services up to 10% of the fund. It is anticipated that this amount will be adequate to cover the administration and distribution of the monies.

**Special Instructions:**

Please return a copy of the executed Resolution along with a copy of the minute order to PHD Contracts Unit, 300 North San Antonio Road, Building 8, Santa Barbara, CA 93110 **Attn: Margaret Granger (805) 681 5367.**

**Concurrence:**

Not Applicable.

RESOLUTION OF THE BOARD OF SUPERVISORS OF  
THE COUNTY OF SANTA BARBARA, STATE OF CALIFORNIA

RESOLUTION ESTABLISHING THE ) RESOLUTION NO. \_\_\_\_\_  
EMERGENCY MEDICAL SERVICES FUND, )  
COMMONLY REFERRED TO AS )  
THE MADDY EMS FUND )  
\_\_\_\_\_ )

WHEREAS, California Health and Safety Code Chapter 2.5 Section 1797.98a-1797.98g, identifies that a “Maddy Emergency Medical Services Fund” may be established in each county upon adoption of the Board of Supervisors.

WHEREAS, The intent of the Maddy EMS Fund is to partially compensate health care providers for emergency medical services for the uninsured and medically indigent and to ensure this population has continued access to emergency medical care, as stated in Health and Safety Code, Section 1797.98a.

WHEREAS, Under Resolution No. 91-682 of the Board of Supervisors, November 26, 1991, all monies collected in Santa Barbara County under Government Code 76000 are distributed evenly between the Courthouse Construction Fund and the Criminal Justice Facilities Construction Fund. Under the subsequently enacted Government Code 76110, these monies are committed by statute until there is no further need for courthouse and criminal justice facility construction. There is an ongoing need to commit these monies for courthouse and criminal justice facility construction and therefore these monies cannot be used to create a Maddy EMS Fund. This establishment of a Maddy EMS Fund shall therefore use funds that are collected in addition to the monies collected under Resolution No. 91-682.

WHEREAS, There is now an urgent need for the establishment of a Maddy EMS Fund in the County of Santa Barbara.

WHEREAS, The number of uninsured and underinsured individuals in our County continues to increase. The percentage of uninsured adults ages 18-64 has tripled, from 7% to 21%, between 1981 and 2001, and Santa Barbara County has the highest percentage of uninsured children of any county in the State. This presents an increasing challenge to our local healthcare providers, and has become substantially more difficult to meet.

WHEREAS, Hospitals in Santa Barbara County are facing enormous costs to comply with the seismic safety standards of SB 1953, estimated to exceed \$800 million in the next ten years.

WHEREAS, Because of being placed in the mostly rural "Locality 99" group, Santa Barbara County hospitals and physicians are paid by Medicare at a rate far less than what is appropriate given the costs in the County.

WHEREAS, Because of the State budget concerns, monies earmarked for trauma systems under AB 430 are no longer distributed by the State, which has resulted in a loss of over \$400,000 annually to the County trauma system.

WHEREAS, Santa Barbara is the only California county with a Level II Trauma Center without a Maddy EMS Fund, and this Trauma Center serves as a tertiary care center for the most critically injured patients and injured and ill pediatric patients in the tri-county region. There is a critical need for this fund as it represents one of the few sources of revenue for payment for uncompensated care of emergency and trauma patients.

WHEREAS, The Board of Supervisors on May 27, 2004 directed the Emergency Medical Services (EMS) Agency staff to work with other interested parties to sponsor legislation that would establish a source of funding for a Maddy EMS Fund in Santa Barbara County.

WHEREAS, The EMS Agency was successful in working with emergency physicians in procuring legislation, which would allow Santa Barbara County to provide funding by increasing penalties, fines and forfeitures collected under Government Code 76104.1.

WHEREAS, Governor Schwarzenegger in recognizing the critical need to maintain emergency and trauma services, signed SB 635 (Dunn), which amended Section 1797.98e. of the Health and Safety Code and added Government Code Section 76104.1 on September 22, 2004. These statutes will become effective on January 1, 2005 and remain in effect until January 1, 2007 and as of that date will be repealed, unless a later enacted statute, that is enacted before January 1, 2007, deletes or extends that date. This provides Santa Barbara County a means to collect additional penalties, fines or forfeitures, provided that the Santa Barbara County Board of Supervisors adopts a resolution stating that implementation of these provisions is necessary to the county for purposes of providing payment for emergency medical services.

WHEREAS, It is necessary to establish a Maddy EMS Fund in Santa Barbara County to provide partial reimbursement for uncompensated emergency medical care.

NOW, THEREFORE, BE IT RESOLVED as follows:

1. The foregoing recitals are adopted as part of the Resolution.
2. The County implements Government Code Section 76104.1 because it is necessary to the County for purposes of providing partial payment for emergency medical services.
3. Pursuant to this Resolution there is hereby established by the Auditor-Controller in the County treasury a separate trust fund known as the Maddy EMS Fund pursuant to Health and Safety Code Sections 1797.98a-1797.98g.
4. Pursuant to Government Code Section 76104.1(a), in Santa Barbara County, an additional penalty of five dollars (\$5.00) for every ten dollars (\$10.00) of base fine, or fraction thereof, shall be imposed on every fine, penalty, forfeiture collected for criminal offenses, including all offenses involving a violation of the Vehicle Code or any local ordinance adopted pursuant to the Vehicle Code, except parking offenses. This additional revenue shall be collected together with

and in the same manner as the amount established by Section 1464 of the Penal Code, the additional revenue shall be deposited in the Maddy EMS Fund.

5. Pursuant to Government Code Section 76104.1(b), in Santa Barbara County, for every parking offense, as defined in subdivision (i) of Section 1463 of the Penal Code, where a parking penalty, fine or forfeiture is imposed, an added penalty of two dollars and fifty cents (\$2.50) shall be included in the total penalty, fine, or forfeiture, together with and in the same manner as the amount established pursuant to Government Code Section 76000(b). This additional revenue shall be deposited in the Maddy EMS Fund.
6. The monies in the Maddy EMS fund shall be payable only for the purposes and in the manner specified in Government Code Section 76104(e).
7. In accordance with Government Code Section 76104.1 (d), the distribution set forth in Health & Safety Code Section 1797.98a(b)(5)(B), shall instead, be 42 percent of the fund to hospitals providing disproportional trauma and emergency medical services to uninsured patients who do not make any payment for services. Further, the 17 percent distribution set forth in Health & Safety Code Section 97.98a(b)(5)(C) shall not apply.
8. The County Auditor Controller shall deposit any interest that is earned in the Maddy EMS Fund to the EMS Maddy Fund.
9. The Board of Supervisors shall report to the State Legislature whether, and to what extent, any actions are taken by the County of Santa Barbara to implement alternative local sources of funding to maintain the Maddy EMS Fund after January 1, 2007.
10. The Clerk of the Board of Supervisors is instructed to transmit, on the next business day following adoption of this resolution, a copy of the resolution to the clerk of each court in the county.
11. This Resolution is effective on the date it is passed and adopted by the Board of Supervisors.

PASSED AND ADOPTED by the Board of Supervisors of the County of Santa Barbara,  
State of California, this \_\_\_\_\_ day of \_\_\_\_\_, 2004, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

COUNTY OF SANTA BARBARA

By \_\_\_\_\_  
Chair, Board of Supervisors

ATTEST:  
MICHAEL F. BROWN  
CLERK OF THE BOARD

By \_\_\_\_\_  
Deputy

APPROVED AS TO FORM:  
SHANE STARK  
COUNTY COUNSEL

APPROVED AS TO ACCOUNTING FORM:  
ROBERT GEIS  
AUDITOR-CONTROLLER

By \_\_\_\_\_  
Jerry Czuleger  
Deputy County Counsel

By \_\_\_\_\_  
Michael Struven