

SANTA BARBARA COUNTY BOARD AGENDA LETTER



Clerk of the Board of Supervisors
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Agenda Number:
Prepared on: 4/3/06
Department Name: CEO
Department No.: 012
Agenda Date: 4/11/06
Placement: Administrative
Estimate Time:
Continued Item: NO
If Yes, date from:

TO: Board of Supervisors

FROM: Michael F. Brown
County Executive Office

STAFF CONTACT: Jim Laponis, Deputy County Executive Office
Lori Norton, Analyst X 3421; Nancy Lapolla, EMS Agency Director X 5264

SUBJECT: Maddy Emergency Medical Services Report to Legislature

Recommendation:

That the Board of Supervisors approve the submittal of the attached Report to the Legislature on SB 635 Maddy Emergency Medical Services (EMS) Fund Activities.

Alignment with Board Strategic Plan:

The recommendation is primarily aligned with Goal No. 2. A Safe and Healthy Community in Which to Live, Work, and Visit, and Goal No. 7. A Community that Fosters the Safety and Well-Being of Families and Children.

Executive Summary and Discussion:

SB 635, which allowed the County to establish a local Maddy Fund, became law on January 1, 2005, and sunsets on January 1, 2007. A Maddy Fund provides for surcharges on certain court fines for the purpose of funding uncompensated emergency and trauma care to the under and uninsured. SB 635 includes a requirement that, "the Board of Supervisors shall report to the Legislature whether, and to the extent that, any actions are taken by the County of Santa Barbara to implement alternative local sources of funding". The attached report to the legislature identifies local actions taken including the Board's recommendation to allocate over \$2 million in Tobacco Settlement Funds to fund Health and Safety net provides in FY 2006-07.

In addition the Report to the Legislature identifies challenges to implement a local funding source prior to the January 1, 2007 sunset, and as a result of these local challenges, requests the legislature approve a 3-year extension of the Maddy Fund.

Assembly Member Pedro Nava, at the request of the County, has recently introduced legislation, AB 2265, which if passed will allow a 3-year extension of the Maddy Fund. AB 2265 is scheduled to be heard in the Assembly Public Safety Committee on April 18th. In preparation for that hearing, Assembly Member Nava requested the attached information, which is also a requirement of SB 635—that the Board of Supervisors report to the Legislature.

Due to the short timeline available to prepare and forward this information to Assembly Member Nava, and in consideration of the Boards hearing schedule, staff is seeking the Board's consideration of the Report on the Administrative Agenda. The Board has already agreed to provide the report to the Legislature and is sponsoring the legislation to extend the Maddy Fund.

Background

In 2002, a group of local physicians recognized the need, and began to explore options to establish a Maddy EMS fund in Santa Barbara County. Through research, they determined that Santa Barbara County was the only county in the State with a Level II Trauma Center that did not have a Maddy Fund. In addition, Santa Barbara County, with its 400,000 plus residents, is by far the most populous county without a Maddy Fund.

The Public Health Department and EMS Agency brought forward a proposal to the Board, requesting the County sponsor legislation to allow for the establishment of a Santa Barbara County Maddy Fund. At the request of the County, Senators Dunn and Romero, and Assembly Member Jackson co-authored legislation, and on November 4, 2004, the Governor signed SB 635 into law.

SB 635 became effective on January 1, 2005. It allowed Santa Barbara County to increase the additional penalties for criminal violations under Government Code Section 76000 by \$5 for every \$10 of base fines, and to collect \$2.50 for every parking citation issued in the county. The Board took action to implement the Maddy Fund through a Resolution adopted on November 4, 2004. Funds collected are passed through to local hospital and physicians to partially offset the cost of emergency room and trauma services provided to the under and uninsured. According to the Hospital Association of Southern California, the provision of uncompensated emergency and trauma care to the under and uninsured by local hospitals resulted in a net loss of approximately \$8 million countywide in 2004. This number is anticipated to increase as the number of under and uninsured continues to rise.

Current Status and Request for 3-Year Extension

Since the inception of the Santa Barbara County Maddy Fund, collections have gradually increased and have now leveled out at approximately \$137,000 per month, which equates to approximately \$1.6 million in annual revenue. In 2005, a total of \$1,271,836 was collected. Of that total, \$609,489 has been distributed to physicians and \$441,354 to local hospitals. The County EMS Agency retains 10% of the funds collected to administer the fund.

SB 635 sunsets on January 1, 2007, and includes a requirement that, “the Board of Supervisors shall report to the Legislature whether, and to the extent that, any actions are taken by the County of Santa Barbara to implement alternative local sources of funding”. The attached report to the legislature identifies local actions taken and identifies challenges to implement a local funding source prior to the January 1, 2007 sunset.

Assembly Member Pedro Nava, at the request of the Board, has introduced legislation, AB 2265, which if passed will allow a 3-year extension of the Maddy Fund. However, AB 2265, like SB635 has encountered opposition from various sources, and the Board should be aware that the 3-year extension will be very difficult to achieve.

Although the bill is supported by the Hospital Association of Southern California, local hospitals, physicians, etc., staff has been made aware that the International Brotherhood of Teamsters (“Teamsters”), who believe they are disproportionately impacted by the increased penalties, may oppose the extension. Additional opposition may be encountered by those who believe that increasing fines leads to diminishing revenues to other funds created by 76000, as violators elect to serve jail time or perform community service in lieu of the additional payment. However, in Santa Barbara County, this has not been the case, as the Courthouse Construction Fund and Criminal Justice Facilities Funds have continued to increase despite the addition of fine surcharges for our local Maddy Fund.

It is also important to note, that a bill introduced last year, SB 1773, by Senator Alarcon would have provided that until January 1, 2009, a county board of supervisors could elect to levy an additional penalty in the amount of \$2 for every \$10, upon fines, penalties, and forfeitures collected for criminal offenses, to be used to fund emergency and trauma services, including requiring 15% of the funds collected pursuant to be expended for pediatric trauma centers, was unsuccessful, due in part to the opposition described above.

Mandates and Service Levels:

SB 635 requires the Board of Supervisors to report to the Legislature whether, and to the extent that, any actions have been taken by the County of Santa Barbara to implement alternative local sources of funding. Approval and submittal of the attached report is intended to meet this requirement.

Fiscal and Facilities Impacts:

Establishment of the Santa Barbara County Maddy Fund has resulted in the collection and distribution of approximately \$1.6 million annually to local hospitals and physicians, to fund emergency and trauma care for the under and uninsured. A 3-year extension of the Maddy Fund would allow the continuation of this funding while the County and community continue to seek alternate local funding sources.

Concurrence: Elliot Schulman, Public Health Director