

Agenda Report

TO: CITY COUNCIL
Through PUBLIC SAFETY COMMITTEE

DATE: October 7, 2002

FROM: CYNTHIA J. KURTZ, CITY MANAGER

SUBJECT: Support for Los Angeles County Measure "B", Preservation of Trauma Centers and Emergency Medical Services and Bioterrorism Response

RECOMMENDATION:

It is recommended that the City Council adopt the attached resolution and authorize the Mayor to send correspondence to the appropriate officials supporting Los Angeles County Measure "B" for Preservation of Trauma Centers and Emergency Medical Services and Bioterrorism Response.

BACKGROUND:

The County Board of Supervisors has placed Measure "B" on the November 5, 2002 ballot to mitigate the impact of funding cuts in Los Angeles County Department of Health Services on trauma centers, emergency medical services, and bioterrorism response. The ballot proposition will levy a parcel tax of three cents per square foot per year on all commercial, industrial and residential structures in Los Angeles County. The average home of 1400 square feet would pay \$42.66/year; a business of 5,000 square feet would pay \$150.00/year. Approval of this measure requires a 2/3 vote from all qualified voters residing within the County. The tax would commence in Fiscal Year 2003; for each subsequent year, the Board of Supervisors will set the rate of the tax in an amount no higher than 3 cents per square foot (as adjusted by increases to the Western Urban Consumer Price Index). If the Board fails to set the rate for any fiscal year, the rate shall continue at the same level as the preceding year.

Anticipated earnings from this parcel tax are \$168 million annually, the majority of which will go to repairing the trauma network and critical and emergency services. This ballot initiative will help fund the public hospitals and clinics, as well as private hospitals that serve the medical needs of the entire community. Strengthening the emergency medical services and trauma networks will also enhance the response capacity for bioterrorism or other related emergencies.

The projected deficits and funding declines in the Los Angeles County Department of Health Services budget pose serious negative impacts on the public health system for residents. One area of impact that crosses all population sectors is the impact on trauma centers, emergency medical services and bioterrorism response. The current system of thirteen trauma centers includes three County Hospitals and ten private hospitals.. These centers maintain specialized equipment and panels of physical specialists, including trauma surgeons, who are available 24 hours a day, 7 days a week to treat trauma patients. Trauma injuries are the consequences of physical force such as motor vehicle crashes, falls, drowning, gunshots, fires and burns, stabbings or blunt assaults. Trauma is the leading cause of death in the first four decades years of life. According to a recent study by Harvard Medical School and the University of Massachusetts at Amherst, improvements in trauma care and emergency services over the past 40 years have lowered the death rate among assault victims by nearly 70%.

Huntington Memorial Hospital in Pasadena is the only designated trauma center for the San Gabriel Valley. The hospital defines its service area as La Canada Flintridge, Altadena, Pasadena, San Marino and South Pasadena, although it draws a small number of patients from other surrounding cities. Huntington currently has nearly 60,000 visits to its Emergency Department (ED) annually of which 43% are Pasadena residents. Thirty five (35%) of the ED visits are for critical, emergency, or trauma care. A portion of the revenue generated by this measure would be directed to Huntington as one of the private hospitals in the trauma, emergency and critical care network. This revenue would help offset the high costs of uncompensated care and help relieve the financial burden to hospitals like Huntington.

Due to diminishing funds from Federal and State sources, support for the trauma center network in Los Angeles County has declined by 88% between 1991 and 2001. At its peak in 1985, Los Angeles boasted 22 trauma centers. The gradual withdrawal of participating hospitals is largely due to financial losses associated with trauma care. Los Angeles County Department of Health Services (DHS) estimates its unreimbursed cost to sustain its three County-run trauma centers at \$35 million a year. The ten private trauma centers are currently providing \$22.5 million of unreimbursed trauma care. DHS cost to expand the network with three additional centers in order to provide full coverage for the County is anticipated to be \$4.5 million a year. Further decline in the countywide network, if not arrested, may cause a collapse of the entire system.

Emergency medical services (EMS), available in four County hospitals and 75 private hospitals countywide are also threatened by the projected loss of Federal and State funding. The unreimbursed cost to the County is roughly \$92 million a year. Hospitals and emergency departments across the State are losing money

and closing their doors, while at the same time the number of emergency and critical visits has dramatically increased. In Pasadena, the recent closure of St. Luke Medical Center and the strained capacity of Huntington Memorial Hospital are clear evidence of these phenomena. Further withdrawals of funding could decimate the fraying network for critical and urgent emergency medical services, as well. Based upon the nature of the network, funding reductions also adversely affect the other elements of EMS, such as paramedic response and patient transportation. Locally, those services face additional burdens or increased demands when facility availability is reduced. This results in local service reductions or increases the potential for cost shifting to meet the demands.

The cost of bioterrorism readiness and response is enormous. Funding already received by County DHS is insufficient to meet the immediate and ongoing expenses associated with fully preparing for bio and chemical terrorism attack. As a first responder, DHS must have the resources required to be prepared. Such resources include stockpiles of medicines to treat persons; training of healthcare workers and other emergency personnel, ability to provide medical screenings and treatment for mass casualties; and availability of mental health services. The estimated gap between funds available and funds needed by the County is \$20 million in one-time expense and \$19.6 million annually.

The trauma network, emergency medical services and bioterrorism response serves everyone regardless of personal health coverage. The current condition of the trauma and emergency services network and the unmet need for bioterrorism planning and response puts every resident at risk -- whether insured or uninsured. Although the County is restructuring, as well as pressing for State and Federal government relief, raising local revenues can be part of the financial solution. This solution spreads the responsibility broadly and fairly and stands to benefit all people in the County.

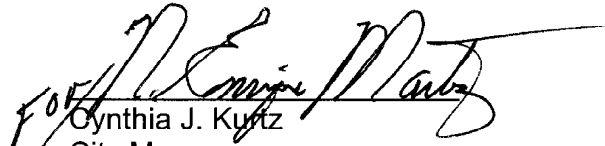
This ballot measure has been endorsed by the Los Angeles County Board of Supervisors, Los Angeles County Medical Association, Los Angeles Board of the Hospital Councils of Southern California, Los Angeles City Council, League of Women Voters, Los Angeles County Emergency Medical Services Commission, Los Angeles Chamber of Commerce, and Valley Industry and Commerce Association. Opposition includes Fifth District Supervisor Michael Antonovich, District Supervisor Don Knabe, Howard Jarvis Taxpayers Association, and Palos Verdes Estates City Council.

FISCAL IMPACT:

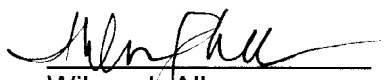
Passage of this ballot measure will have no direct fiscal impact on the City of Pasadena. Registered voters and businesses will be required to pay the

established additional taxes if the measure passes. However, failure of the measure will likely lead to reductions in trauma facility availability that could result in additional local costs to meet emergency response needs as first responders and transport units are pressed into longer transportation times and potentially increased calls for service due to lack of other available medical services.

Respectfully submitted,


Cynthia J. Kutz
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