



El Dorado County Emergency Services Authority

480 Locust Road
Diamond Springs, CA 95619
Tel (530) 642-0622 Fax (530) 642-0628
www.edcjsa.org

March 12, 2014

Don Ashton, Director
El Dorado County Health and Human Services Agency
3057 Briw Road
Placerville, CA 95667

Greetings Mr. Ashton:

An audit finding for FY 12/13 found that the El Dorado County Fire Protection District (EDC Fire) did not invoice the JPA and we did not pay EDC Fire for their OPEB costs which were \$51,000 dollars. We have since paid this amount from our FY 13/14 OPEB 3046 sub-object account and as a result this will leave us with a \$51,000 shortfall since we budgeted for the exact amount needed to cover this fiscal year's costs.

This matter was placed on our March 10, 2014 Special JPA Board meeting agenda for approval to amend our budget and seek additional funding from CSA 7 and balance our OPEB costs. The Board heard the matter and approved the budget amendment and to allow me to seek additional funding from CSA 7 to cover the \$51,000 payment.

I am seeking your assistance in processing this request and adding \$51,000 from CSA 7 funds to our JPA 871000 index code, OPEB 3046 sub-object so we can meet our other obligated OPEB costs.

Respectfully,

A handwritten signature in black ink, appearing to read "Marty Hackett".

Marty Hackett
Executive Director

EL DORADO COUNTY EMERGENCY SERVICES AUTHORITY

SCHEDULE OF AUDIT FINDINGS AND RESPONSES

FOR THE FISCAL YEAR ENDED JUNE 30, 2013

2013 - 3 - LIABILITY FOR OTHER POST-EMPLOYMENT BENEFITS (OPEB)

Criteria: The JPA adopted a policy to advance fund the estimated future costs of retiree benefits. Districts that pay post-employment health care premiums are required to request annual JPA payments for ambulance employees based on their actuarial study. Each District is required to hold the payments received for JPA employees in a reserve, available to pay the OPEBs.

Statement of Condition: Beginning in fiscal year 2011-2012, Districts were to submit bills to the JPA for the actuarially determined Annual Required Contribution (ARC) that pertains to JPA employees. The Districts were to reserve the amounts received to currently fund the OPEB obligation for JPA employees. Payments to the Districts were not consistently made and it does not appear all Districts have maintained their OPEB reserves.

Cause: JPA management does not monitor District compliance with the OPEB funding policy.

Effect or Potential Effect: Providing post-employment benefits may become a financial hardship to the Districts if annual reimbursements are not reserved each year. Additionally, in 2012-2013, El Dorado County Fire did not submit a claim for reimbursement and appears to have been underpaid \$51,000.

Recommendation: We recommend the JPA issue a payment to El Dorado County Fire to reimburse for 2012-2013. We also recommend JPA management implement procedures for regular monitoring of each District's compliance with maintaining OPEB reserves.

Management Response: At the time, not all Provider Districts had a current OPEB actuarial to use for budgetary purposes. They do now and the actuarials were used to calculate the OPEB reimbursements for JPA funded employees for fiscal year 2013-2014. Every three (3) years provider Districts will be required to obtain a current OPEB Actuarial and use that for budget calculations. Some agencies have used their OPEB reserves to cover operating costs. Subsequent to our reimbursing a District for their OPEB costs associated with its JPA funded employees, the JPA has no further obligation and the District's assume full responsibility to cover their employee's OPEB benefit.



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March 27, 2014

Don Ashton, Director
El Dorado County Health and Human Services Agency
3057 Briw Road
Placerville, CA 95667

Greetings Mr. Ashton:

We have received an invoice from Marshall Medical Center (Marshall) in the amount of \$30,980 dollars for critical care transport nursing services. These costs go back over six (6) years. The history on this matter is that for many years the JPA contracted with the El Dorado County Fire Protection District (EDC Fire) to provide CCT nurse services when Marshall needed a CCT nurse to accompany and care for a patient while in transit in our ambulance from their facility to another hospital. The CCT nurses worked part-time for EDC Fire, and for many if not all, the nurses also worked full-time for Marshall.

When an EDC Fire CCT nurse performed these duties, EDC Fire would pay the CCT nurse and then invoice the JPA for reimbursement. On occasion, there would be no EDC Fire CCT nurses available for the transport and Marshall would then use one of their on-duty CCT nurses from the ER or ICU to provide the care during transit to another hospital. During this time, Marshall staff thought they were billing the JPA and being reimbursed for the CCT services they provided but recently found this not to be the case. In addition, there was no contract between the JPA and Marshall to reimburse Marshall for using their CCT nurses.

After discovering that Marshall had not been invoicing or being reimbursed for their CCT services they sent us a claim in the amount of \$30,980 dollars. I asked for and received documentation from Marshall that recorded the dates, times and other pertinent information when they performed CCT services for us. At this point they are seeking a settlement agreement with us for the past CCT nurse services they provided.

It is my understanding that because we have not paid the \$30,980 dollars, Marshall is withholding approximately \$35,000 dollars they owe the County for inter-facility transports we provided them.

We believe it is in everyone's best interest to settle with Marshall and pay them the \$30,980 for the past CCT services they provided the JPA. We believe this is a fair resolution to the dispute,

particularly since there is no net cost to the County as a result of the funds that will be received from Marshall for the inter-facility transports provided by the JPA.

Our current FY 13/14 budget does not include funding to settle the \$30,980 claim and I would like to apply for a budget adjustment and increase our funding allotment from CSA 7 funds to settle the Marshall claim. I have attached Marshall Hospital's CCT invoice and back-up documentation.

Respectfully,

A handwritten signature in cursive script, appearing to read "Marty Hackett".

Marty Hackett
Executive Director

Marshall Medical Center

Attention: Kristina Rosen
P.O. Box 245
Placerville, CA 95667

INVOICE

Invoice Number: 9992
Invoice Date: 3/20/14
Page: 1

Voice: (530) 626-2810
Fax: (530) 626-2863

Bill To:
El Dorado Cty Emergency Svcs Authority 480 Locust Road Diamond Springs, CA 95619

Due Date
4/1/14

Customer ID: 110112

Description	Amount
Marshall Medical RN Accompanied Critical Care Transports January 2008 - January 7, 2014 - See attached Detail	30,980.00

Check/Credit Memo No:

Total Invoice Amount	30,980.00
Payment/Credit Applied	
TOTAL	30,980.00