Health Services

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Providing Mental Health, Environmental Health, Public Conservator, Public Health, and Substance Use Disorders Treatment Services

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To: Board of Supervisors

From: Jenine Miller, Psy.D., Director of Health Services

Subject: July Fee Hearing – EMS Fees

Emergency Medical Services (EMS) plays a critical role in protecting the health and safety of the community by ensuring timely, coordinated, and high-quality emergency response and medical care. To sustain these services and maintain compliance with applicable regulatory requirements, it is necessary to update the current EMS fee schedule.

On April 21, 2026, the Board of Supervisors approved a comprehensive update to the Emergency Medical Services fee schedule, with the exception of the proposed multi-tiered EMS Dispatch Fees. At that time, the Board directed staff to conduct additional meet-and-confer sessions with regional ambulance transport providers to further evaluate the fiscal impacts of transitioning from the historical flat-rate fee structure to a data-driven, volume-based cost recovery model.

Following productive discussions with regional stakeholders, staff has refined the proposed implementation framework by incorporating a 70% attrition factor and a three-year phased implementation plan. The revised methodology achieves cost recovery in compliance with California Proposition 26 while providing a gradual and sustainable transition for local ambulance providers.

Core Operational Restructuring

Implementation of the 70% Attrition Factor

To more accurately reflect dispatch activity and account for uncompensated operations, staff incorporated a 70% attrition factor into the baseline call volume methodology. Raw dispatch data provided by Cal Fire is reduced by 30% to account for canceled responses, dry runs, and non-transport medical aid incidents, resulting in a more representative volume for cost allocation purposes.

Three-Year Phased Glide Path and Quarterly Invoicing

To minimize immediate fiscal impacts on MedStar, the revised fee schedule will be implemented through a three-year phased glide path beginning July 1, 2026.

The phased implementation is as follows:

- Year 1 (FY 2026-27): Providers will pay one-third (33%) of their assigned tier cost.
- Year 2 (FY 2027-28): Providers will pay two-thirds (66%) of their assigned tier cost.
- Year 3 (FY 2028-29): Providers will pay 100% of the assigned tier cost, achieving full cost recovery.

Based on the revised fee analysis, the three-year phased glide path will apply only to MedStar experiencing a significant increase in dispatch fees. MedStar will transition under the three-year phased implementation due to the amount of the fee adjustment.

Adventist Health Mendocino Coast will not participate in the phased implementation and will transition directly to the revised fee schedule, as its annual dispatch fee will increase from $29,308.90 to $30,851.57, an increase of $1,542.67 (approximately 5.3%). Staff determined that this modest increase does not warrant phased implementation while still meeting the County's cost recovery objectives. Adventist Health Mendocino Coast has agreed with the cost increased.

Throughout each fiscal year, staff will monitor actual dispatch volumes using Cal Fire data. At the conclusion of the fiscal year, an annual reconciliation ("true-up") will be completed. If a provider’s actual volume drops below or rises above their baseline bracket, invoices will be adjusted or refunds provided accordingly.

The proposed dispatch fee schedule does not affect local fire agencies due to the existing 1994 agreement between the County and participating fire agencies. In addition, the fees do not apply to cross-border mutual aid responses.

Staff recommend that the Board of Supervisors approve the updated EMS Dispatch Fee Schedule Tiers and authorize implementation of the three-year phased glide path for MedStar.

For MedStar the tiered yearly rates will be:

- Year 1 (July 1, 2026 – June 30, 2027): $1,204.03 per month (33% of full cost)
- Year 2 (July 1, 2027 – June 30, 2028): $2,433.60 per month ($39,188 annually) (66%of full cost)
- Year 3 (July 1, 2028 – June 30, 2029): $3,648.50 per month ($43,782 annually) (100% full cost recovery)