



COSUMNES FIRE DEPARTMENT

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September 17, 2019

The Honorable Gavin Newsom
Governor, State of California
Governor's Office, State Capitol
Sacramento, CA 95814

Re: AB 1705 (Bonta) Request for Signature

Dear Governor Newsom:

On behalf of the Cosumnes Fire Department, I am writing to respectfully request that you sign Assembly Bill 1705 (Bonta). AB 1705 would create a new Inter-Governmental Transfer (IGT) program for public emergency medical transportation providers to ensure equity in how public and private providers of emergency medical transportation services are able to leverage federal funds.

AB 1705 is intended to correct an unforeseen consequence of Senate Bill 523 (Hernandez) [Chapter 773, Statutes of 2017]. SB 523 established a Quality Assurance Fee (QAF), essentially a provider tax, on both public and private providers of emergency medical transport services (EMS) to leverage federal Medicaid funds and thus generate net additional revenue to allow adequate reimbursement for EMS services. At the time SB 523 was considered and ultimately approved by the Legislature and the Administration, public providers of EMS believed that the QAF would result in a net revenue gain. However, once the Department of Health Care Services (DHCS) began modeling the actual impact of the QAF, it soon became apparent that a number of public agencies, primarily fire districts, would suffer actual net losses of revenue.

AB 1705 exempts public EMS providers from the QAF and establishes a new Inter-Governmental Transfer program to enable public EMS providers to leverage additional federal dollars in addition to that which would be authorized under the existing QAF.

AB 1705 eliminates any losers on the public side and provides for all participants to receive additional funds – not actual losses. AB 1705 will make whole the providers on the public side without harm to the private sector. We would also like to note that AB 1705 will have no impact on the General Fund.

Stakeholders and the staff at the Department of Health Care Services have assured that the language of AB 1705 allows expeditious review of the data to make possible the transition to an Inter-Government Agreement with public providers of emergency medical transport services.

For the reasons stated above, I respectfully request your signature on AB 1705.

Sincerely,



Michael W. McLaughlin
Fire Chief
Cosumnes Fire Department

cc: The Honorable Rob Bonta, California State Assembly (uriel.saldivar@asm.ca.gov)