

COUNTY OF SACRAMENTO CALIFORNIA

For the
Agenda of:
December 11, 2007

To: Board of Supervisors

From: Department of Health and Human Services

Subject: Report Back – Adult Trauma Level II Designation Additional Information

Contact: Lynn Frank, Director, Department of Health and Human Services (875-2001)
Bruce Wagner, Chief of Emergency Medical Services (875-9753)

BACKGROUND

On November 28, 2007, the Board heard the Department's recommendation to nominate Kaiser Permanente for the adult level 2 trauma center designation and to deny the appeal by Methodist Hospital of Sacramento. The Board requested additional information which staff has prepared in this report.

DISCUSSION

Department of Health and Human Services (DHHS) staff and consultant have reviewed the requests for additional information. Much of the requests for additional information and much of the information presented at the November 28, 2007 Board meeting are outside the parameters of the original Request for Proposal (RFP). Although this information and the Department's analysis are helpful in presenting the case for both candidates as highly qualified and respected providers of service, the Department did not find the information provided demonstrated that the Department should revise its recommendations to deny the appeal and to nominate Kaiser Hospital South as an adult level II trauma center.

The RFP Process

The Department and the consultant have concluded the County conducted a thorough screening and review process for the RFP. Please find in Attachment A, questions or comments raised concerning the RFP process and the staff/consultant responses.

DHHS followed appropriate protocols in performing the ratings of the candidates and in conducting the analysis of the appeal made by Methodist South (Catholic Healthcare West). The review team considered all the information and had ample opportunities to discuss issues and arrive at consensus. Personal notes are part of the review team's discussion of issues, thus, included in the consensus reached by the team. The "95% of the records destroyed" was an estimate made by staff and related only to personal review notes. Since the team reached

decisions by consensus, individual notes become less relevant. The consensus approach values and considers all team members comments and issues

The selected consultant, Mike Williams, felt he had ample documentation to support his findings. He did not make direct contact with ratings/survey team members because he wanted to use the documentation available to determine if the decision process was sound. He indicates with a high degree of confidence that he had ample documentation to determine this, that the destruction of the notes did not prevent a full assessment of the review process.

Candidates Presentations and Other Comments

Both candidates presented additional material and information complementing their qualifications, expertise and commitment to providing trauma care services. Attachment B addresses the presentations of both Kaiser Permanente and Catholic Healthcare West (CHW) and Board requests for additional information or clarification. As can be seen in Attachment B, both CHW and Kaiser presented information that the consultant was able to verify. However, simply verifying the information provided by either candidate did not lead the Department to refute its original findings. Following are some of the major issues and staff responses.

Trauma Experience: CHW has stated it already operates seven trauma centers in the state and benefits from this experience. It plans to share staff from its Mercy – San Juan facility, providing experience and expertise at Methodist Hospital, should it be designated. This is the “halo effect” that CHW posits as a major benefit to the County should they be nominated, i.e., the experience of operating seven trauma centers and the sharing of seasoned staff provides CHW an advantage over Kaiser in providing trauma care. CHW further notes a long standing relationship with the University of California, Davis, Medical Center (UCDMC) and its trauma center, which again can be seen as an advantage over Kaiser.

Staff experience and commitment are profoundly more important in establishing a trauma service than affiliate hospital designations. This does not mean that because no Kaiser facility has ever been designated in the past, the medical staff and administration of Kaiser is less capable of providing excellent trauma care. Kaiser’s ability to recruit and retain trauma center trained and experienced physicians, as well as their locally unequalled resident training program provides evidence that Kaiser South Sacramento is an excellent choice for trauma center designation.

While true that CHW has experience in providing trauma services, the gains in sharing staff between the two facilities will be hard to sustain, especially as the need for trauma services increase in the future. In his analysis of Methodist’s hospital utilization, Mr. Williams projects a significant increase in trauma care usage. The sharing of staff between two facilities becomes less viable as the increase in utilization would call for full staffing at Methodist.

The long standing relationship with UCDMC is a result of operating a level II trauma center. It’s doubtful that should Kaiser be designated, a relationship with UCDMC would not develop. As indicated in Attachment C, Kaiser already maintains a strong, working relationship with UCDMC, which would seem probable to grow, should Kaiser receive designation.

Bed Capacity and Total Resources: In Attachment D, the Abaris Report on “Methodist Hospital of Sacramento Utilization Analysis,” Mr. Williams states that "With no planned expansion of medical/surgical beds, Methodist is likely to face some capacity issues by the year 2015 . . ."

The Department does have some concerns regarding the number of beds proposed by Methodist. Our consultant has reported to the Department that Methodist could be at an occupancy rate of 96.6% by 2015 (capacity is an occupancy rate of 85%) and could reach 85% as early as 2011. With no planned expansion of medical/surgical beds, Methodist could face some significant capacity issues. In comparison, the consultant estimates that Kaiser will have sufficient capacity through 2015 in the areas of general medical/surgical and surgery.

Kaiser promises a greater total resource capacity than Methodist, with 41 versus 29 emergency department beds, 4 versus 2 trauma beds, 17 versus 5 operating rooms, 40 versus 20 intensive care beds, 10 versus 6 intensive care trauma beds, and 37 versus 8 post anesthesia beds. This difference is significant and must be strongly valued in terms of day-to-day availability of service and mass casualty / disaster preparedness.

Emergency Department Closure: While local hospitals have received national recognition for effectively managing and reducing the number of hours their emergency departments are closed to ambulances transporting non-emergency patients, Kaiser South Sacramento has outperformed Methodist in this area. Data from the Hospital Council for 2000 through November 2007 shows that the total number of hours that the EDs were unavailable was 6,072 hours for Methodist and 2,769 hours for Kaiser. Kaiser's closure rate was 45.6% of that experienced by Methodist.

Provision of Equal Care: Much has been stated concerning Kaiser's ability to serve non-members. Current experience in serving non-member patients, which includes Medi-Cal patients, does not support this contention. Simply put, the law requires all general acute care hospitals with emergency departments to treat patients with medical emergencies equally, regardless of their ability to pay. Both CHW and Kaiser share that mandatory obligation and will provide the full continuum of care for uninsured major trauma victims, and continue to transfer stabilized trauma patients to their in-plan hospital provider. This is the standard of all trauma care facilities.

Trauma Care Fees: HealthNet, Blue Cross and Blue Shield contend that should Kaiser be designated a trauma center, the overall cost of trauma care in the region will go up. For over two decades, trauma centers and insurance companies have made discount arrangements, discounting the cost of trauma care to some while requiring the full rate of the cost-of-care to others (full-rate payers), like Kaiser. A study of trauma costs by Kaiser actually studied what Kaiser "paid" to trauma centers statewide. Their study shows that what they "pay" for trauma care in Sacramento County is approximately 50% higher than the rest of the state. What this means or what impact the designation of Kaiser might have on trauma charges is unknown. The overall cost of trauma care in the region will not necessarily go up, as discounting arrangements are common and negotiated frequently. Please see Attachment E for more information.

CONCLUSION

The Department of Health and Human Services has reviewed and analyzed additional information as well as reviewed and analyzed the process for recommending an adult level II trauma center in South Sacramento County. The Department has not received any additional information that would alter the ratings established by the review team.

The Department thanks both Catholic Healthcare West and Kaiser Permanente for providing information that underscores their commitment and desire to provide trauma services to the

County of Sacramento and to assist the Board in making the best possible decision for the citizens of Sacramento County. The Department holds both Methodist and Kaiser South in the highest regard and recognizes the excellent work performed by both facilities.

The Department concludes that the recommendations as presented in its letter and resolution on November 28, 2007 be approved by the Board.

Respectfully submitted,

APPROVED:
TERRY SCHUTTEN
County Executive

LYNN FRANK, Director
Department of Health & Human Services

By: _____
PENELOPE CLARKE, Administrator
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Attachments:

Attachment A – Staff Response to RFP Process

Attachment B – Verification Of Data/Representations Presented By Methodist Hospital South (Catholic Health Care West), Kaiser Permanente

Attachment C – Description Of Kaiser Permanente’s Physicians As Clinical Faculty At UCD

Attachment D – Methodist Hospital of Sacramento Utilization Analysis

Attachment E – Trauma Center Charge Comparison

C: Methodist Hospital of Sacramento

Kaiser Permanente South Sacramento Medical Center

Sacramento County Human Services Coordinating Council

Hospital Conference of Central and Northern California

Sierra Sacramento Valley Medical Society