KING COUNTY AUDITOR'S OFFICE

January 8, 2019

Final Follow-up on the 2013 Emergency Medical Services Levy Performance Audit

TO:

Metropolitan King County Councilmembers

FROM:

Kymber Waltmunson, County Auditor

The Emergency Medical Services Division quantified the financial benefit of one strategic initiative, but did not report results to County Council. The division refocused three of its five strategic initiatives away from cost savings and toward improving system effectiveness. Managers stated that strategic initiatives initially targeted cost savings, but they later redirected the scope and focus of some initiatives in response to partners' feedback. The Emergency Medical Services Division (EMS) quantified the financial benefits of one of the two strategic initiatives that remain aimed at reducing system costs. The division has not reported the financial benefits of its strategic initiatives to Council as we recommended. Senior division managers indicated that this information will be available in future EMS annual reports, which will allow for increased oversight and accountability to stakeholders as well as taxpayers.

Opportunities remain for the Emergency Medical Services Division to increase the rigor of its strategic initiative evaluation process. Implementing our recommendation to analyze financial benefits and consider the results in levy planning would help EMS and its partners make decisions on the most efficient and effective ways to invest in regional services. EMS did not use cost-benefit analyses as the primary criterion when selecting strategic initiatives for continuance as regional services in the 2020-2025 levy. Managers indicated that this is because programs include both financial and non-financial benefits, and the dynamic nature of strategic initiatives makes quantitative evaluation challenging.

Of the one remaining audit recommendation:

0 DONE	1 PROGRESS	0 OPEN
Fully implemented Auditor will no longer monitor.	**Partially implemented** Auditor will continue to monitor.	**Remain unresolved** Auditor will continue to monitor.

King County

Please see below for details on the implementation status of these recommendations.

Recommendation 3 PROGRESS

We recommend that EMS develop methods for quantifying the financial benefits of its strategic initiatives intended to contain costs or gain efficiencies during the first year of the 2014 to 2019 levy cycle. The financial benefits should be reported consistently in EMS Annual Reports presented to the County Council and considered prior to expanding initiatives into ongoing Regional Services for the 2020 to 2025 EMS levy.

STATUS UPDATE: Of the five strategic initiatives initially intended to contain costs or gain efficiencies, EMS modified the goals of three initiatives in response to partner feedback. The revised objectives for the three initiatives are to improve patient outcomes, increase system effectiveness, and contain the rate of growth in use of EMS services.

Of the two remaining initiatives intended to contain costs or gain efficiencies, EMS developed and implemented methods to quantify the financial benefits of one: Basic Life Support Efficiencies. For the other, Regional Records Management, EMS identified cost savings as one of the goals but did not analyze its financial impact before converting it to regional service. Managers indicated that all agencies will have transitioned to centralized records management by the end of 2018, and they will be able to begin to measure cost savings. The EMS Advisory Committee selected it to become a regional service without quantified financial benefit data because its impacts also include increased readiness for system modernization in the form of electronic patient records as well as better access to data, increased oversight, and support for improved medical care.

While EMS did not have financial benefit calculations ready to report in the 2017 or 2018 annual reports, managers shared data on the achievements of the initiatives with stakeholders through presentations at EMS Advisory Committee meetings and on the EMS webpage. As quantified financial performance data become available, EMS plans to publish it in annual reports. Publically reporting this information will increase EMS's accountability to stakeholders as well as taxpayers.

Implementing our recommendation to analyze financial benefits and consider the results in levy planning would help EMS and its partners make decisions on the most efficient and effective ways to invest in regional services.

Laina Poon, Principal Management Auditor, conducted this review. Please contact Laina at 206-477-1045 if you have any questions about the issues discussed in this letter.

cc: Dow Constantine, King County Executive
Casey Sixkiller, Chief Operating Officer, King County Executive Office
Caroline Whalen, County Administrative Officer, Department of Executive Services
Rachel Smith, Chief of Staff, King County Executive Office
Dwight Dively, Director, Office of Performance, Strategy & Budget
Ken Guy, Division Director, Department of Executive Services, Finance & Business Operations Division
Michele Plorde, Emergency Medical Services Division Director, Public Health
Melani Pedroza, Clerk of the Council, Metropolitan King County Council
Lakeidra Williams, Administrator 1, King County Executive Office