

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

719



FROM: Community Health Agency/ Department of Public Health

SUBMITTAL DATE:
March 22, 2004

SUBJECT: Approve Renegotiated Master Ambulance Agreement with American Medical Response (AMR) for emergency ambulance service. #04-038.

RECOMMENDED MOTION: That the Board of Supervisors:

- 1) Approve the Master Agreement with American Medical Response (AMR) as the emergency ambulance provider for the following exclusive operating areas: Northwest, Southwest, Central, Hemet/San Jacinto, Mountain Plateau, Pass and Desert Areas;
- 2) Authorize the Chairperson to execute said Agreement on behalf of the County;
- 3) Direct the Clerk of the Board to file one executed original Agreement and return three originals to the Community Health Agency/Department of Public Health Contracts Administration Office for final processing.

BACKGROUND: The Board of Supervisors (BOS) approved EMS Plan directed the EMS Agency to negotiate performance-based Agreements with the emergency ambulance providers in the County. The EMS plan and these Agreements set standards for medically-appropriate ambulance response times and high-quality patient care.

(Continued on Page 2)

FORM APPROVED
COUNTY COUNSEL

MAR 18 2004

[Signature]
Susan Harrington, Director

BY *[Signature]*

FINANCIAL DATA

Current F.Y. Total Cost:	\$ 622,000	In Current Year Budget:	YES
Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	NO FOR FY: 03/04
Annual Net County Cost:	\$ 0	For Fiscal Year:	

SOURCE OF FUNDS: Joint financial/budgetary responsibility of CHA/DOPH, MISP, and Mental Health as specified in the Financial Data.

Positions To Be Deleted Per A-30	<input type="checkbox"/>
Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION: APPROVE.

County Executive Office Signature *[Signature]*

Dep't Recomm.: Policy
Per Exec. Ofc.: Policy

 Consent
 Consent

Prev. Agn. Ref.: 11-14-02 3.4,
06-17-03 3.5, 12-03-03 3.7

District: All Agenda Number:

Form 11:
COMMUNITY HEALTH AGENCY

SUBJECT: Approve Renegotiated Master Ambulance Agreement with American Medical Response (AMR) for emergency ambulance service. #04-038.

Page 2

BACKGROUND CONTINUED:

In September 1998, the BOS approved the Master Ambulance Agreement with American Medical Response (AMR). On November 14, 2002 Agenda Item 3.4, the BOS directed staff to renegotiate the contract with AMR. To this end, the Board established a task force to review identified emergency ambulance issues, the County Grand Jury's recommendations, and to establish parameters for renegotiation of the contract.

On June 17, 2003, item 3.5 was approved by the BOS granting a six month extension to the County/AMR Agreement to enable the task force to complete its work. The task force has since completed its work and a negotiating team was established which included: County Executive Office, EMS Agency staff, AMR, Riverside County Fire Chief, and Riverside City Fire Chief. The task force addressed many issues including: financial reporting requirements, fines and performance enhancements, subzone performance, and response time requirements based on population changes.

On December 3, 2003, item 3.7 was approved by the BOS granting an additional three-month extension to allow the negotiating team to complete negotiations with AMR and to prepare the final contract for BOS approval.

Negotiations have been completed, with consideration of the Grand Jury recommendations and in keeping with the recommendations of the BOS-appointed task force.

Highlights of the Agreement with AMR:

1. Term of agreement: Five years with options for two (2) three- (3-) year extensions.
2. Ambulance Resources: The following resources will be added during the first six (6) months of the Agreement:
 - a. One ambulance fully staffed 24/7 in the Horsethief Canyon area and one ambulance fully staffed 24/7 in the Eastvale area, both located within the Northwest zone but within close proximity to the Southwest Zone.
 - b. One ambulance fully staffed 24/7 in the Wildomar area, located within the Southwest area.
 - c. Two (2) twelve (12) hour ambulances in the Moreno Valley area, located in the Central zone.
 - d. One ambulance fully staffed 24/7 in Thermal, located in the Desert zone.

To add the equivalent of six ambulances, AMR will need to hire an additional 40-45 personnel (EMTs and paramedics).

A 12-lead cardiac monitoring program will also be implemented within the first six (6) months of the Agreement

Form 11:
COMMUNITY HEALTH AGENCY

SUBJECT: Approve Renegotiated Master Ambulance Agreement with American Medical Response (AMR) for emergency ambulance service. #04-038.

Page 3

BACKGROUND CONTINUED:

3. Response time requirements: Numerous areas of the County will now have shortened response times and a new 30-minute response time requirement was established. The zones effected by the shortened response times include:

Zone	Location	Current response time requirement	New response time requirement
Northwest	Trilogy and Wild Rose Developments (South of Corona)	Best Effort	10 minutes
Central	Hwy 74 between Perris and Lake Elsinore	14 minutes	10 minutes
San Jacinto	North along Ramona Expressway	20 minutes	14 minutes
Southwest	Wildomar area (west of Grand Ave.)	Best Effort	14 minutes
Desert	Mecca (Central area)	Best Effort	14 minutes
Desert	Sky Valley area	Best Effort	20 minutes
Desert	Eastern portion of Desert Hot Springs	Best Effort	14 minutes
Mountain Plateau	Anza	Best Effort	30 minutes
Mountain Plateau	Highways 74	Best Effort	20 minutes
Mountain Plateau	Highway 243	Best Effort	30 minutes

All zones (except for the Pass and Mountain) have been divided into subzones, with response time requirements for subzones as well as overall for the zones. This will ensure that all areas of each zone will receive adequate ambulance response times.

4. Response time penalties have been adjusted, and performance enhancement measures have been established to encourage even greater performance by the Contractor.
5. Financial reporting and audit requirements have been added, with initial requirements of quarterly reporting and then bi-annual reporting, based on the recommendations of the task force. A full audit by a CPA (at Contractor's expense) will be required at the end of the fourth year of the contract.

Form 11:

COMMUNITY HEALTH AGENCY

SUBJECT: Approve Renegotiated Master Ambulance Agreement with American Medical Response (AMR) for emergency ambulance service. #04-038.

Page 4

6. Services for mental health patients remain the same as in the previous contract. After the signing of the Agreement, the Hospital Association of Southern California (HASC) will convene a new task force of all involved parties to make recommendations on changes to the existing contract regarding the transport of patients under a 5150 hold. It is estimated that the task force will require approximately eighteen months to complete their work and make recommendations.
7. All Grand Jury recommendations were incorporated into this Agreement. The recommendations include:
 - Annual review of response time requirements related to population changes,
 - Contract Administrator and Executive Office approval for rate increases up to 5%, BOS approval required for rate increases over 5%
 - EMS Administrative Group recommendations will be included in the annual EMS Agency report to the Board
 - Establishment of a task force to review the transport of mental health "5150" patients
8. AMR has been operating with the current rate schedule for the previous two (2) years without a rate adjustment. The proposed ALS base rate increase for the additional services and resources will be held to only five (5) percent, with the ALS base rate increasing to \$820 from \$781, which is still below the newly approved San Bernardino base. Ancillary rates, such as mileage and oxygen are also increasing.

The initial BOS-appointed task force and subsequent negotiating committee ensured that all stakeholders in the EMS system (fire, law enforcement, hospitals, consumers/citizens, the Board of Supervisors, the Executive Office and Community Health Agency staff) provided input which was included in the negotiation parameters. This renegotiated Agreement will improve an already excellent EMS system by providing for enhanced response time standards to many areas and includes a mechanism to review all response standards on a yearly basis. The yearly review will ensure that as Riverside County continues to grow over the coming years, ambulance response times and services will continue to improve as well for the residents of and visitors to Riverside County.

FINANCIAL DATA:

This agreement is a joint financial effort of the Community Health Agency, Medically Indigent Services Program (MISP), and Department of Mental Health. Accordingly, the agreement will be administered financially within each respective department's budget. CHA Management will manage the overall agreement operationally.

The annual CHA/Department of Public Health share of cost is \$441,000, MISP is \$91,000 for the transport of county-responsible indigent patients, and Mental Health has

Form 11:

COMMUNITY HEALTH AGENCY

SUBJECT: Approve Renegotiated Master Ambulance Agreement with American Medical Response (AMR) for emergency ambulance service. #04-038.

Page 5

budgeted to disburse to AMR \$90,000 for the transport of county-responsible patients in need of a mental health evaluation ("5150" field and inter-hospital transfer calls).

CHA/Department of Public Health, MISP, and Department of Mental Health will submit over the life of the agreement the necessary budget amounts to conform to contract terms and conditions in accordance with County budget requirements.