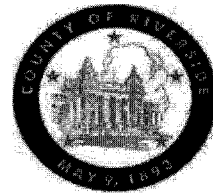


**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



ITEM
2.7
(ID # 3149)

MEETING DATE:
Tuesday, December 13, 2016

FROM : EMERGENCY MANAGEMENT DEPARTMENT:

SUBJECT: EMERGENCY MANAGEMENT DEPARTMENT: Receive and File the American Medical Response (AMR) Annual Performance Report for Fiscal Year 2015/16.
[Districts: All]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Receive and file the AMR Annual Performance Report for Ground Advanced Life Support (ALS) Emergency Ambulance Services for Fiscal Year 2015/2016.

ACTION: Consent

BACKGROUND:

Summary

The attached 2016 AMR Annual Performance Report summarizes the first full year of operation under the new agreement #15-097 for ground ALS emergency ambulance services. AMR has successfully met all performance targets required to earn the first one year extension to add an additional year to the agreement, through June 30, 2021.

As authorized per agenda item 3-8 (January 13, 2015), the County Purchasing agent signed the 1st amendment to extend the agreement.

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$ N/A	\$ N/A	\$ N/A	\$ N/A
NET COUNTY COST	\$ N/A	\$ N/A	\$ N/A	\$ N/A
SOURCE OF FUNDS: N/A			Budget Adjustment: No	
			For Fiscal Year: N/A	

C.E.O. RECOMMENDATION: APPROVE

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Tavaglione, seconded by Supervisor Ashley and duly carried, IT WAS ORDERED that the above matter is received and filed as recommended.

Ayes: Jeffries, Tavaglione Washington and Ashley
Nays: None
Absent: Benoit
Date: December 13, 2016
xc: EMD

Kecia Harper-Ihem
Clerk of the Board
By: *[Signature]*
Deputy

2-7

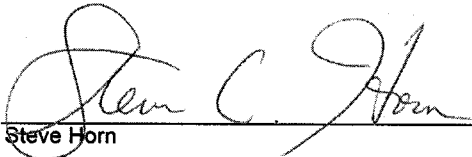
**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,
STATE OF CALIFORNIA**

Impact on Residents and Businesses

The residents of Riverside County require the services supplied by an efficient EMS system. The ALS emergency ambulance agreement will continue improvements to the County EMS plan designed to optimize emergency medical care to residents thereby minimizing morbidity and mortality from acute illnesses and traumatic injuries.

ATTACHMENT:

1. AMR Annual Performance Report FY 2015/2016


Steve Horn 12/5/2016

**Annual Performance Report Fiscal Year 2015/16 and One Year Extension
Agreement #15-097: American Medical Response (AMR) for ALS emergency ambulance services
Date: December 13, 2016**

Background

The Riverside County Board of Supervisors approved the County Advanced Life Support (ALS) emergency ambulance services agreement with American Medical Response (AMR) on January 13, 2015, item 3-8. The first year of performance under the agreement commenced on July 1, 2015 and ended on June 30, 2016. Pursuant to the terms of the agreement, AMR may submit a written request for a one (1) year earned extension each year following the first full year of the agreement.

AMR must submit a request for a one (1) year extension and an annual performance report to the Riverside County EMS Agency (REMSA) by September 1, 2016. The report must include evidence of compliance with provisions of the agreement including achievement of response time performance of 91 percent or greater in all response time zones for at least nine (9) non-consecutive months during the 12 month performance period, successful implementation of system enhancements for the completed year and written agreement with REMSA for system enhancements to be implemented for the current year of performance. The request may also include a rate increase request to cover the cost of system enhancements for the current year that are over \$250,000.

Determination of Contractor (AMR) Eligibility

REMSA has reviewed all of the contractor requirements as stipulated in the agreement for eligibility to receive a one year earned extension. Additionally, REMSA monitors AMR's compliance monthly and reports response time performance semi-annually to the EMS Administrative Groups. The following was utilized by REMSA to determine that AMR has met the terms of the agreement for granting of a one year extension and are available upon request:

- Annual Report and Compliance Review Matrix
- 2016 Annual Response Time Report
- System Enhancements for 2016/2017 Performance Period

Highlights of Contractor Performance

The annual report and compliance review matrix and the response time report outline the information collected by REMSA to ensure AMR's compliance with all of the obligations contained in the agreement for ground ALS emergency ambulance services. The following sections provide an executive summary for key performance areas of the agreement.

Responses, Transports and Response Time Compliance

During the performance period July 1, 2015 through June 30, 2016 AMR responded to 184,927 9-1-1 medical emergency calls and transported 129,881 patients to hospitals throughout the County. This indicates a 7 percent increase in 9-1-1 responses and a 6 percent increase in patient transports over the previous year (July 2014-June 2015). AMR must meet a minimum response time performance standard of 90 percent in all Response Time Zones and Subzones. Additionally, they must meet the higher response time standard of 91 percent in all response time zones for 9 non-contiguous months of the 12 month performance period to qualify for a one year earned extension. AMR exceeded the 90 percent required response time compliance in all response time zones throughout the performance period. AMR also exceeded the enhanced standard of 91 percent response time compliance in all response time zones for eleven of the twelve calendar months in the performance period.

AMR's requests for response time exemptions increased dramatically during January through April of 2016 due to record high occurrence of patients being held on transporting ambulance gurneys after arrival at hospital emergency departments. This is known as Ambulance Patient Offload Delay (APOD). It negatively impacts ambulance resource availability and response times. AMR deployed additional ambulance unit hours (staffed ambulances) exceeding scheduled unit hours by 5 percent during the performance period. AMR worked with REMSA to implement FirstWatch Online Compliance Utility (OCU) which went live in May. The OCU provides advanced on-line compliance monitoring and reporting capabilities which greatly enhance REMSA's oversight of contractor performance. Additionally, AMR worked with all hospitals, the Southern California Hospital Association (HASC) and REMSA to implement the First Watch Transfer of Care (TOC) Module to improve data collection and reporting to mitigate the impacts of APOD on ambulance response times.

Response Time Related System Enhancement Fees

Exhibit 5A of the agreement contains the methodology and payment schedules for collection of system enhancement fees to be paid by the contractor. System enhancement fees are then distributed by REMSA to EMS providers and Cities to support continued investment in the EMS system. AMR paid \$790,372 in system enhancement fees during the performance period.

Clinical Data Collection and Reporting

AMR utilized their existing electronic patient care (ePCR) reporting system during the performance period. AMR submitted all requested data reports to REMSA including data that populated the California EMS Authority's Core Measures report. AMR also submitted an updated continuous quality improvement program with associated key performance indicators that was approved by REMSA. AMR is currently working with REMSA staff to implement the new Image Trend Elite ePCR program which will be completed during the current performance period (July 2016 – June 2017). The new ePCR system with its connected data mining and

reporting tools will greatly enhance current and future initiatives designed to improve patient care and optimize patient outcomes.

Customer Service

AMR implemented a customer service feedback program during the performance period. The program utilizes an on-line survey tool to gather results from customers utilizing a scale rating from 1 to 5, 5 being best. Compiled results submitted to REMSA show an average 4 out of 5 rating for each of the questions asked. Customers that completed the survey include Fire Departments, municipalities, hospitals, extended care facilities and other entities that access 9-1-1 emergency ambulance service. Additionally, AMR monitors and reports billing complaints as a requirement of the agreement. They received 151 complaints during the performance period all of which were resolved. The most common complaints were; the wrong patient was billed, cash or refund issues and incorrect charges.

Financial Performance

AMR's fiscal year runs concurrent with the calendar year. This makes financial reporting by fiscal year out of sync with the contract performance periods which begin on July 1 and end on June 30. REMSA received quarterly financial statements from AMR throughout the performance period. Upon completion of the first full AMR fiscal year under the new agreement (2016), AMR will submit an audited financial statement to REMSA. REMSA received an unaudited financial statement from AMR for their 2015 fiscal year. AMR reported net transport revenue for 2015 of \$115,266,858 and operating expenses of \$107,018,038. Earnings before income tax and interest were \$8,248,820, taxes and interest were \$4,944,359 and total profit was \$3,304,461. Total profit as a percentage of net revenue was 2.9 percent.

Workforce Satisfaction and Turnover

AMR employee turnover by quarter was monitored and reported semi-annually during the performance period. Employee turnover was as follows; July-Sept 3.9 percent, Oct-Dec 3.1 percent, Jan-Mar 5.4 percent and Apr-Jun 2.9 percent. The top three reasons for employee separation was obtaining a job with the Fire Department (31%), no longer able to maintain part-time status (25%) and returning to school (9%). The greatest factor in quarterly variation on employee turnover is driven by Fire Department hiring cycles.

Vehicle Performance and Safety

AMR ambulances compiled 5,306,486 miles during the first year performance period. During that period there were 15 vehicle contacts (accidents) which is one vehicle contact per 353,766 miles driven by the Contractor's field employees. Contractor has three (3) fleet maintenance shops located within the County.

Employee Injuries and Exposures

During the performance period there were 74 reported employee injuries. The most common injuries were: sprain/strain (54%), contusion/bruise (12%) and sore muscles (8%). There were 15 employee exposures to infectious diseases reported. AMR has a comprehensive employee injury and illness prevention program in place including annual training for all field employees.

Services for Mental Health Patients

AMR provides ambulance transportation for mental health patients that have been placed on Welfare and Institutions Code (WIC) 5150 hold for gravely disabled individuals. Patients placed on WIC 5150 holds require transport to an acute psychiatric receiving facility or a hospital emergency department for evaluation. These patients are transported from the field at the request of law enforcement or between facilities at the request of the Riverside University Health System (RUHS) Behavioral Health Department. During the performance period AMR transported 13,422 patients that were on WIC 5150 holds. Sixty one (61) percent of these patients were transported from healthcare facilities and 39 percent were transported at the request of law enforcement.

High Users of 9-1-1 Services

AMR has developed a program that provides for the identification of individuals that are repeated heavy users of 9-1-1 services. The effort is designed to identify individuals that may benefit from services or education that would lessen the usage of 9-1-1 emergency medical services due to chronic medical conditions. This is a new initiative in cooperation with REMSA and the EMS System Resource Coordination Workgroup (EMS System Strategic Plan, Goal 2) and will help identify opportunities for improving EMS system efficiency and reducing cost. In the current performance year AMR will coordinate with REMSA to identify individuals that are candidates for this outreach program.

Community Education and Involvement

AMR was actively involved in community activities throughout the performance period providing 2,819 hours of community and partner education. This included training over 7,000 people in cardiopulmonary resuscitation (CPR), continuing education offerings that are provided to partner agencies free of charge, community health fairs, and safety programs and training to healthcare facility staff.

AMR was the major sponsor of the Inland Empire March of Dimes for this year's March for Babies campaign, raising over \$50,000 and participating in a number of March of Dimes educational events throughout the County. Additionally, AMR is a major supporter of the Toys4Tots campaign and collected over 6,000 toys for families in need.

Completed EMS System Enhancements (7.1 million Dollars)

AMR replaced 43.2 percent of the emergency ambulance fleet during the performance period at an additional cost of 4 million dollars. Type II ambulances were replaced with Type III

ambulances that carry more equipment, larger gurneys, accommodate bariatric patients and have significantly more room for patient care during transport. The maximum allowable mileage for a 9-1-1 emergency ambulance was reduced from 275,000 miles to 250,000 miles. Remaining Type II ambulances will be upgraded to Type III ambulances when they hit the 250,000 mile mark.

All new LifePak 15 cardiac monitors were purchased and placed into service during the performance period. This is a 3.1 million dollar enhancement that has improved the diagnostic capabilities available to paramedics in the field. Paramedics also receive feedback of the quality of CPR and the monitors will have interoperability with REMSAs new Image Trend Elite ePCR reporting program. This integrated function will enhance continuous quality improvement of the care provided to patients in the field.

AMR has stationed a four wheel drive, type I ALS ambulance in the community of Pine Cove. Combined with a dynamic system status deployment plan, ALS First Response by Riverside County Fire Department and associated mutual aid agreements, this enhancement represents increased EMS resource capabilities to the North end of the Mountain Plateau. AMR has also implemented a community support program to the residents of the Pine Cove community.

FirstWatch data collection and reporting technologies have been designed, developed and implemented. These on-line information management tools provide REMSA with improved performance monitoring capabilities over the contractor and the countywide EMS system.

Rate Increases

Rate increases authorized by the agreement consist of three types: Annual Consumer Price Index (CPI) increases, rate increases for system enhancements and extraordinary expense rate increases. CPI rate increases are intended to compensate for the annual uncontrollable increase in the cost of goods and ancillary services born by the contractor in the provision of services required under the agreement. System enhancement increases are intended to compensate the contractor for the actual incurred cost born by the contractor during implementation of EMS system enhancements. Extraordinary increases provide for rate increases due to verified substantial financial hardship or changes in governmental third party payor programs that result in a significant reduction in revenues for services rendered under the agreement.

The following methodology and process for rate increases is contained in Exhibit 13 of the agreement.

Annual Consumer Price Index (CPI) Increase

Pursuant to a request from AMR and the terms of the agreement, a CPI rate increase of 7.68 percent was approved effective July 1, 2016. The increase was based upon the Los Angeles-Riverside-Orange County CPI of 2 percent for the calendar year ending on December 31, 2015 factoring in AMR's current collection rate of 26.04 percent. The rates changed as follows:

<u>Exhibit 13-A: Service Rate Schedule</u>	<u>2015/2016</u>	<u>2016/2017</u>
ALS and BLS Rate	\$1,415.45	\$1,524.16
Mileage	\$34.42	\$37.06
Oxygen	\$147.21	\$158.52
Night Charge	\$160.98	\$173.34
Dry Run (non-transport) with Patient Care	\$220.00	\$236.90

Rate Increase for System Enhancements

REMSA has negotiated EMS system enhancements (available upon request) to be completed by AMR during the current performance period which began on July 1, 2016 and ends on June 30, 2017. The new system enhancements will cost AMR \$484,000 dollars to complete. The terms of the agreement require that AMR provide the first \$250,000 in annual system enhancements at their cost and can request a rate increase to cover the balance of the cost of the agreed upon system enhancements (\$234,000). AMR has opted to not request a rate increase and will cover the entire \$484,000 cost of enhancements during the current performance period.

Extraordinary Rate Increases

No extraordinary rate increases were requested or approved during the performance period.

Summary

REMSA received a written request for a one (1) year extension and an annual performance report from American Medical Response (AMR) on September 1, 2016. REMSA completed a comprehensive review of the first year of performance and determined that AMR met or exceeded all requirements contained in the agreement for the granting of a one (1) year earned extension. On January 13, 2015, item 3-8 the Board of Supervisors approved the County Purchasing Agent to sign amendments, as approved by County Counsel, that extend the agreement term pursuant to earned annual extensions. The County's purchasing agent signed an amendment that granted a one (1) year extension extending the term of the (ALS) emergency ambulance service agreement #15-097 until June 30, 2021.