



SUMMARY REPORT

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**Agenda Date:** 11/16/2021

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**To:** County of Sonoma Board of Supervisors  
**Department or Agency Name(s):** Department of Health Services  
**Staff Name and Phone Number:** James Salvante, 565-6510  
**Vote Requirement:** Majority  
**Supervisorial District(s):** Countywide

**Title:**  
Ground Emergency Ambulance Service Agreement

**Recommended Action:**

Authorize the Director of Health Services, or designee, to execute an agreement with Bell's Healdsburg Ambulance Service, Inc., and any amendments that do not substantially change the terms and conditions of the agreement, for the exclusive provision of ground emergency ambulance service within the Bell's Ambulance historic service area for a term through November 30, 2026, with one option to extend the agreement term through November 30, 2031.

**Executive Summary:**

Bell's Healdsburg Ambulance Service (Bell's) is a private, family-owned ambulance company with a long history of operating within the communities of Healdsburg and Windsor since 1956. The company operates under a historic approval that does not include a contract for services with the County or any formal local permitting process. The requested action allows the County to enter into an agreement formalizing the existing service within the Bell's response zone. Due to the company's length of service in the current response zone, the County may establish the service as the exclusive operator within an Exclusive Operating Area established under HSC 1797.224. The community will benefit from the arrangement due to improved contractor accountability through the imposition of monitored performance standards and regulated rates, and the County will gain the funding needed to provide required oversight of the service provider's operations. The term of the agreement allows the contractor to make needed investments in infrastructure as well as providing stable employment prospects for emergency medical technicians and paramedic responders. The agreement also includes provisions to restructure the service delivery in the zone if the contractor does not meet contract requirements or elects to sell their company prior to the end of the contract term.

**Discussion:**

Bell's Healdsburg Ambulance Service (Bell's) is a private, family-owned ambulance company with a long history of operating within the communities of Healdsburg and Windsor since 1956. Bell's provides 911 Advanced Life Support ambulance response within their designated area in the Local EMS Agency EMS Plan in accordance with the provisions of Sonoma County Code chapter 28. Bell's currently operates under a historic approval that does not include a contract for services with the County, a service provider agreement or permit to operate. The company is required to follow Local EMS Agency (LEMSA) policy and procedures as well as relevant state rules, but is not under a systematic performance monitoring process comparable to that in place for the oversight of Exclusive Operating Area 1. In addition, Bell's service charges are unregulated by any public entity,

and no funding source has been established for regulatory oversight of the company's ambulance service operations.

Division 2.5 of the California Health and Safety Code (HSC) "the EMS Act" § 1797.224 allows Local EMS Agencies (LEMAs) to enter into formal agreements for provision of ambulance service in defined geographic areas through the creation of Exclusive Operating Areas (EOAs). Although most EOAs may only be awarded through a state-approved competitive process, § 1797.224 states:

*"No competitive process is required if the local EMS agency develops or implements a local plan that continues the use of existing providers operating within a local EMS area in the manner and scope in which the services have been provided without interruption since January 1, 1981."*

Sonoma County has previously deliberated on the inclusion of the Bell's service area into the competitively awarded EOA. The following represents a summary of these deliberations:

Bell's approached the EMS Agency in (2008) with a request to formalize their services area through a non-competitive EOA agreement. Bell's is eligible for the award of a grandfathered EOA agreement as defined in HSC 1797.224. Bell's was unable to commit to the requirements of a performance-based ambulance EOA Agreement at that time. Negotiations reached an impasse, and Bell's continued to operate in the same manner and scope as the designated provider within their response zone without a contract. In 2018, Bell's requested the award of an exclusive contract for their service area. The company provided letters of support from the Town of Windsor and City of Healdsburg. Supervisor Gore also expressed support for Bell's entering into a formal agreement with the County.

At the time of the request, the LEMA was actively working with EMS system stakeholders on the revision of the county ordinance. The LEMA advised Bell's that any negotiations for the award of an EOA as the company was requesting could only occur after the revised ordinance was approved by the County Board of Supervisors. The Sonoma County Board of Supervisors established an EMS Ad Hoc committee to guide Department of Health Services (DHS) leadership and their LEMA staff during the EMS Ordinance development and ambulance services request for proposals (RFP) process.

The issue of expanding the geographic area of the EOA required the EMS Ad Hoc group's input. During these discussions, the EMS Ad Hoc supported expanding the current EOA into the community of Occidental and adjacent area due to the loss of the current ambulance provider. The Ad Hoc group also discussed Bell's desire to continue serving its community and directed staff to coordinate with Bell's and Supervisor Gore to identify a solution. LEMA staff began working with Bell's to establish a contract with the understanding that this must be done through a standard performance agreement, in contrast with the best-effort performance they may provide today. It was understood, if a contract was not successfully negotiated then this geographic area could be included into an expanded EOA during contract negotiations.

The EMS Ad Hoc was informed that a performance contract would require the establishment of a separate EOA that would award an exclusive operating area contract based on eligibility as a grandfathered 1797.224-eligible entity. The EMS Ad Hoc was informed that Bell's ability to compete successfully against larger providers in a competitive RFP process is uncertain and if Bell's is not awarded a separate EOA under 1797.224, it would represent a potential closure of the family business and financial hardship to the Bell's family and their employees.

On March 23, 2021, DHS brought the first draft of the RFP for EOA 1 to the Board. The draft RFP included the existing Bell's service area as part of an expanded EOA 1. The Board was also presented with an option to

direct staff to remove the Bell's service area from the competitive process, and to continue to negotiate a non-competitive award of Bell's current service zone as allowed by HSC §1797.224. The Board directed staff to move forward with the EOA 1 RFP development without incorporating Bell's service area, and to return to the Board at a later date with a proposed agreement between Bell's and the County for the Board's approval.

Since receiving that direction staff have completed negotiation with Bell's and have reached a point of consensus on a contract that would allow Bell's to continue operations within their historic zone, but with increased performance monitoring and accountability. The proposed agreement contains provisions for increased quality improvement process, response time mandates and allows Bell's to work with partners through subcontracting if such an arrangement is approved by the County. The County will also recover the cost of oversight activity needed to monitor Bell's compliance with the contract and all Local EMS Agency policies and patient treatment guidelines. These costs include Bell's anticipated share of ImageTrend and FirstWatch data reporting and compliance utilities used to track patient care and provider agency performance. The overall intent of the contract is to mirror the provisions of the current EOA 1 agreement while taking the relative sizes of the two EOAs into account where appropriate.

One of the important issues the EMS Ad Hoc felt needed careful consideration by the full Board was how any change of ownership could occur while Bell's was in contract with the County. It was felt that the best way to ensure the continuance of consistent accountable services would be through a combination of EOAs 1 and 2. Therefore, if Bell's Ambulance were to offer their business for sale, the current holder of EOA 1 would hold a right of first refusal. The draft agreement allows Bell's to sell to a third party if the EOA 1 contractor declines. In all cases, no sale could include the exclusive service rights granted through assignment of the EOA 2 contract unless the County approved the sale terms and conditions.

**Prior Board Actions:**

On March 23, 2021 the Board A) approved the expansion of the Exclusive Operating Area to incorporate the West County community of Occidental and adjacent areas formerly supported by Falck Ambulance and the Northern County areas currently support by Bell's Ambulance Services (Bells) and B) approved the RFP for submission to California Emergency Medical Services Authority (EMSA).

**FISCAL SUMMARY**

<b>Expenditures</b>	<b>FY 21-22 Adopted</b>	<b>FY 22-23 Projected</b>	<b>FY 23-24 Projected</b>
Budgeted Expenses	56,700	58,401	60,153
Additional Appropriation Requested			
<b>Total Expenditures</b>	<b>56,700</b>	<b>58,401</b>	<b>60,153</b>
<b>Funding Sources</b>			
General Fund/WA GF			
State/Federal			
Fees/Other	56,700	58,401	60,153
Use of Fund Balance			
Contingencies			
<b>Total Sources</b>	<b>56,700</b>	<b>58,401</b>	<b>60,153</b>

**Narrative Explanation of Fiscal Impacts:**

Revenue of \$56,700, which is included in the FY 21-22 budget, will be received by County for contract management and technical systems to support monitoring activities provided by the Department of Health Services. Initial charges will be \$41,700 for oversight and \$15,000 for support of technical systems. Revenue and associated expenditures for future years will be included in the appropriate year budgets. Future year amounts, which will increase annually by the Bay Area Consumer Price Index, are estimated.

<b>Staffing Impacts:</b>			
<b>Position Title (Payroll Classification)</b>	<b>Monthly Salary Range (A-I Step)</b>	<b>Additions (Number)</b>	<b>Deletions (Number)</b>

**Narrative Explanation of Staffing Impacts (If Required):**

None

**Attachments:**

Attachment 1 - Agreement with Bell's Healdsburg Ambulance Service, Inc.

**Related Items "On File" with the Clerk of the Board:**

None