



Legislation Text

File #: 2022-0495, **Version:** 1

To: County of Sonoma Board of Supervisors
Department or Agency Name(s): Department of Health Services
Staff Name and Phone Number: Tina Rivera, 707-565-4774
Vote Requirement: Majority
Supervisory District(s): Countywide

Title:

Emergency Ground Ambulance Services Agreement Amendment

Recommended Action:

- A) Authorize the Director of Health Services to execute the fourth amendment to an agreement with American Medical Response West for emergency ground ambulance services, extending the end date to January 15, 2024, approving a rate increase, and authorizing the implementation of Tiered Advanced Life Support (ALS) and Basic Life Support (BLS) Emergency Medical Services Response.
- B) Adopt a resolution finding that the County has already expressed the policy for emergency ambulance services within the Ordinance No. 6294, Emergency and Pre-Hospital Medical Services System Ordinance of Sonoma County, in accordance with Assembly Bill 389, Ambulance Services, Stats. 2021 ch. 460 ("AB 389").

Executive Summary:

Division 2.5 of the California Health and Safety Code (HSC) "the EMS Act" § 1797.224 allows Local EMS Agencies (LEMSAs) to enter into formal agreements for provision of ambulance service through the creation of Exclusive Operating Areas (EOAs). Sonoma County designates the Department of Health Services as the LEMSA for Sonoma County. Within the Department, EMS Agency functions are the responsibility of Coastal Valleys EMS Agency, which is organized within the Public Health Division of the Department.

On December 31, 2008, the County entered into an agreement with American Medical Response West (AMR) for emergency ground ambulance service in the exclusive operating area. The agreement was modified in November 2011, October 2013, and July 2019. The current agreement with AMR expires on June 30, 2022. The proposed amendment extends the current agreement through January 15, 2024 and includes approval of rate increases effective July 1, 2022 and July 1, 2023. The amendment also provides for Tiered Advanced Life Support (ALS) and Basic Life Support (BLS) Emergency Medical Services Response.

In accordance with new state law, AB 389, which requires a county to have a written policy for emergency ambulance services prior to entering into, or renewing, a contract for emergency ambulance services, the proposed resolution finds that the County's written policy is already expressed within the EMS Ordinance.

Discussion:

Division 2.5 of the California Health and Safety Code (HSC) "the EMS Act" § 1797.224 allows Local EMS Agencies (LEMSAs) to enter into formal agreements for provision of ambulance service through the creation of

Exclusive Operating Areas (EOAs). HSC 1797.224 states:

A local EMS agency may create one or more exclusive operating areas in the development of a local plan, if a competitive process is utilized to select the provider or providers of the services pursuant to the plan. 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. A local EMS agency which elects to create one or more exclusive operating areas in the development of a local plan shall develop and submit for approval to the authority, as part of the local EMS plan, its competitive process for selecting providers and determining the scope of their operations. This plan shall include provisions for a competitive process held at periodic intervals. Nothing in this section supersedes Section 1797.201.

On December 31, 2008, the County entered into an agreement with American Medical Response West (AMR) for emergency ground ambulance services in the exclusive operating area. The agreement was modified in November 2011, October 2013, and July 2019. The current agreement will expire on June 30, 2022.

Nexus to Request for Proposal - Emergency Advanced Life Support Ground Ambulance Service

In anticipation of the above-mentioned June 30, 2022 contract expiration, the County engaged in a request for proposals (RFP) process to solicit proposals from qualified organizations for Ground Ambulance Service in Sonoma County EOA #1. On November 2, 2021, the Board of Supervisors approved the language and timeline of the RFP for Emergency Advanced Life Support Ground Ambulance Service in Sonoma County Exclusive Operating Area 1 (EOA1). The Board directed staff to publicly announce the RFP and solicit proposals for service consistent with the County's purchasing policies. The RFP was publicly posted on November 8, 2021 with a proposal due date of March 1, 2022.

On December 2, 2021, County staff hosted a mandatory proposer's pre-bid conference, the purpose of which was to answer questions that proposers may have about the RFP process and timeline. At that conference, attended by six potential proposers, the County received nearly universal feedback about the very challenging timeline between contract award and start of service. The primary concerns expressed were the challenges with equipment procurement given the growing global supply-chain crisis, the competitive labor market for medical professionals, and the challenge of transitioning during the current declared emergency. Staff noted these concerns and committed to monitoring their potential impact over the next several weeks.

Supply chain problems in the durable medical equipment sector, and particularly in the ambulance chassis industry, have continued to escalate. In addition, availability of skilled medical personnel to staff ambulance service continues to worsen. As a result of these challenges, County staff have determined that continuing with the current RFP timeline and potential that a new ambulance service provider might be selected will result in significant risk of disruption to the ground ambulance system of care in Sonoma County. With the current supply chain disruptions and skilled labor shortages, a new vendor cannot reasonably implement service prior to the current contract extension.

Nexus to Settlement Agreement with Sonoma County Fire District (SCFD) and CalChiefs

In 2021, a dispute developed between SCFD and CalChiefs on the one hand and County on the other hand as to the County's ability to create an exclusive operating area known as EOA-2. On November 24, 2021, SCFD and CalChiefs filed a Petition for Writ of Mandate in Sonoma County Superior Court, California, captioned Sonoma County Fire District vs. County of Sonoma, Case No. SCV-269745. In an effort to settle that dispute and litigation, the County and the petitioners entered into a settlement agreement that was executed

on February 17, 2022.

The County's agreement with SCFD and CalChiefs acknowledged the mutual interest in rescinding the RFP and reissuing it at a later date. The agreement also recognized the need to extend the exclusive contract with AMR to provide time to effectively administer the RFP after it is reissued. Concurrent with the development of the settlement, the County engaged in good-faith negotiations with AMR regarding the extension of the current contract. The County and AMR agreed to three material provisions in the extension: 1) Extend the term approximately 18 months; 2) Agree to a rate increase (typically granted annually); and 3) Implement tiered ALS/BLS response by July 1, 2022.

The tiered response provision was requested by AMR due to ongoing operational challenges as described above. AMR felt they could not enter into an extension without that provision in place. Because tiered response has been a system enhancement that the County has been interested in implementing, the EMS Agency Manager and CVEMSA Medical Director were consulted on the tiered response provision during negotiations. Both understood the importance of completing a contract extension, and both shared their support for implementing tiered response at this time. Due to the urgency of completing the settlement agreement and contract agreement prior to the RFP due date, the County had very limited opportunity for stakeholder engagement. However, the County has since engaged with stakeholder groups and is receiving input into tiered response implementation.

Development of Tiered ALS/BLS Ground Ambulance Service

Currently, the ground ambulance system in Sonoma County and the EOA-1 contract require 911 operators to dispatch only ALS ambulances staffed with a paramedic responder to every call, regardless of medical necessity. In the current system, all callers receive an ALS response, with ALS personnel and ALS equipment. Once on scene, the responding paramedic will base treatment decisions on CVEMSA patient care protocols, with BLS level care provided if appropriate for that patient. The responding agency or agencies must therefore fund an ALS cost of readiness and response for all calls, even if BLS care is ultimately provided to some. The financial sustainability of all ambulance providers is tied to the ability to recover costs through billing. Public and private insurers reimburse for EMS services based on medical necessity and the care actually delivered, rather than an arbitrary County requirement to send an ALS ambulance on all calls.

The 911 system is often activated by individuals with low acuity conditions. These may be minor injuries or illnesses that are medically appropriately treated with BLS level care provided by certified Emergency Medical Technicians (EMTs). Many of these low-acuity complaints may be identified at time of 911 call. While some callers are unable to articulate their need with sufficient clarity to enable triage, many others can do so. In cases where a certified Emergency Medical Dispatcher using an industry benchmark tool can adequately triage callers, it is common for the dispatcher to accurately determine a subset of callers who are appropriate for a BLS response and transportation. All other calls, such as when there is a clear emergency or where the EMD process cannot provide a determination with sufficient confidence to meet a safety standard must receive an ALS response. Without a process in place to differentiate callers and approval to make a decision to send the appropriate level of care, Sonoma County EMS Providers must send an ALS response to each and every 911 call.

ALS response is a critical component of the Sonoma County EMS System. The ability to care for not only the critically ill and injured, but also those in significant pain cannot be overstated. The EMS system must maintain sufficient capacity to care for patients that will benefit from ALS response, evaluation and transportation.

However, over-utilization of ALS resources has downsides. The requirement to send an ALS response to every 911 call places a substantial and unnecessary burden on the EMS System in Sonoma County. The requirement to include paramedic staffing and ALS equipment on every 911 call results in higher labor and training costs, higher costs for equipment and medications and increased costs for maintenance of ALS competencies. In addition, every ALS responder must carry and manage narcotic medications, which increases administrative burden and legal risk. Institutionalizing an all-ALS response absent a patient-centric rationale requires the provider agencies, local government, taxpayers, and the patients themselves to fund a readiness cost that cannot be justified on medical merit. The EMS System is fundamentally a health care delivery system, and it is one of the very few systems that serves all callers without any requirement to pay ahead of service. However, the cost of the existing ALS-only system is high. Matching service delivery with patient population needs, without burdening patients, Providers, and local government with excessive costs is a core principle the EMS Agency supports.

The current market for skilled medical professionals is critically challenged and the ability to staff ground ambulances at the ALS (Paramedic) level is at risk. By allowing 911 dispatch to use the Medical Priority Dispatch System (MPDS) system to triage calls, ALS resources remain available for the highest level of response, while BLS resources respond to calls determined to be medically appropriate. This model has been tested over hundreds of millions of calls since 1979 and the protocols are updated regularly. All providers of ground emergency ambulance service stand to benefit from the ability to add ambulance resources to their deployment at a reduced cost for equipment and personnel. Those provider agencies electing to continue an all-paramedic response are not prohibited in any way from doing so.

Implementing the tiered BLS/ALS system by utilizing the Medical Priority Dispatch System (MPDS) establishes a universal standard for emergency dispatchers taking calls for a broad range of field and triage response. While the MPDS system is the recognized method for sorting the range of 911 calls into medical categories or “determinants”, the decision regarding whether ALS or BLS response is medically appropriate for each determinant is the legal responsibility of the EMS Medical Director.

Implementation of Tiered Response

The EMS Agency Medical Director has committed to collaborating with system partners as tiered response is developed and implemented. The Medical Director will be advised by a task force consisting of EMS system participants recruited from hospital, first responder, labor organization, and ambulance service partners to ensure different perspectives and identify concerns. On April 25, 2022, CVEMSA attended the regular meeting of the Emergency Medical Care Committee (EMCC) to request that select members be appointed to serve on the task force. The EMCC appointed five representatives from among its membership to serve on the task force. The 12-member task force had its first meeting on May 18th, is scheduling weekly meetings through the implementation phase and into the evaluation phase.

The EMS Medical Director has committed to starting with a limited implementation of tiered response. Initially, only those calls determined to be low acuity will be dispatched with BLS level ambulance service. CVEMSA staff fully supports this prudent and measured approach to implementation. Only after the initial, limited implementation has shown to be safe and effective will the implementation be expanded. Any expansion will be informed by advice from the stakeholder task force and will include quality monitoring to identify any system problems. Feedback loops will provide responders with the ability to quickly identify gaps in the triage process and report significant threats identified in the process.

The actual assignment of resources based on the dispatch determinant will take into consideration not only

the medical treatment requirements but also the challenges of rural and remote locations some providers serve. The Medical Director will rely on the system partners' knowledge of the communities they serve to help inform the determination of medically appropriate standards.

While tiered response is mentioned in this AMR contract extension, it is a system enhancement that will be available to all Sonoma County ambulance providers. The EMS Agency recognizes and supports the possibility that some system partners with ambulance programs may wish to continue to provide an all-ALS response plan within their jurisdictions. Although the County will support tiered response, the EMS Agency will not unilaterally require implementation of a tiered system simply through the creation of medically appropriate standards. However, the EMS Agency encourages active participation in the development of medical standards by those jurisdictions that may choose to keep current deployment unchanged. For those agencies interested in adding a BLS tier to their deployment, the medical standards will provide a safe, physician-approved route to implementing a multi-tier response system supported by industry standards and EMS local policy.

Implementation of tiered ALS/BLS ground ambulance response will ensure the response is matched to the need of the patients and enable all provider agencies to reduce overall costs for their agencies and the patients they serve. Implementation will also significantly reduce risk of disruption to the system of care due to skilled medical staffing shortages. The EMS Agency has begun a process for approval of tiered response by the CVEMSA Medical Director, including a creation of a first draft and establishment of a taskforce that includes participation by stakeholder groups. The goal is to implement tier-response no later than July 1, 2022.

Request for Rate Increase

The current contract allows for an annual rate adjustment for inflation and for other rate adjustments as approved by the Sonoma County Board of Supervisors. This contract extension includes a rate increase for Advanced Life Support transport, mileage rates, and rates for consumable medical supplies. By example, the rate for ALS emergency ambulance service will increase from the current \$2,177, to \$2,708 effective July 1, 2022. These rate increases are based on significant increases in labor costs, capital expenses such as ambulance purchases, fuel and maintenance costs, and the increased cost of consumable medical goods. The County's third-party consultant, Endpoint EMS, participated in the rate increase negotiations and advised that the rates presented are reasonable and consistent with recent ALS contracts in other counties. While charges for ambulance service are complex and itemized, the benchmark charge for ALS emergency ambulance service within CVEMSA will average \$2,925 with the approval of this contract extension and rates by agency in Sonoma County are listed as follows:

| | | |
|---|------------------------|---------|
| American Medical Response (Eff. 7/1/2022) | ALS Emergency Response | \$2,707 |
| Bodega Bay Fire Protection District | ALS Emergency Response | \$2,447 |
| Bells Healdsburg Ambulance Service | ALS Emergency Response | \$2,280 |
| Cloverdale Health Care District | ALS Emergency Response | \$2,100 |
| Coast Life Support District | ALS Emergency Response | \$3,258 |
| LIFEWest Ambulance Service | ALS Emergency Response | \$5,156 |
| City of Petaluma Fire Department | ALS Emergency Response | \$3,099 |
| Sonoma County Fire District | ALS Emergency Response | \$3,000 |
| Sonoma Valley Fire District | ALS Emergency Response | \$2,274 |

<https://www.coastalvalleysems.org/filelink/fileman-files/CVEMSA%202021%20Ambulance%20Rates.effective%2009-01-2021.pdf>

Resolution Establishing Policy AB 389, requiring a county to have a written policy for emergency ambulance services

On November 5, 2019, The Sonoma County Board of Supervisors adopted a revision to the Sonoma County Code Chapter 28, Emergency and Pre-Hospital Care brought forward by the Department of Health Services. The ordinance updated the current Code last revised in 1999 with a comprehensive set of changes, including providing policy direction to the Department of Health Services regarding issues to evaluate for inclusion within emergency ambulance services contracts. The ordinance development process was a collaborative effort beginning in February 2018 with participation from public and private sector service provider organizations including the Cities and Special Districts providing EMS response around the County. Participation also included public and private labor organizations, hospital partners and EMS educators. The collaborative approach yielded a consensus revision that passed on a unanimous vote with a final reading scheduled for November 12, 2019.

State law now requires counties to have a written policy for emergency ambulance services prior to entering into, or renewing, a contract for emergency ambulance services. The proposed resolution finds that the County's written policy for issues to evaluate for inclusion within emergency ambulance services contracts is expressed within the EMS Ordinance.

Impact if this Contract Extension is not Approved

The current contract with AMR expires on June 30, 2022. If no contract is in place on July 1, 2022, any existing Sonoma County ambulance provider will be permitted to operate within the boundaries of EOA1 without contractual oversight by CVEMSA. Multiple ambulance providers will compete for 911 ambulance calls outside of EMS coordination. Non-contracted ambulance providers will not be subject to existing response time standards and will be able to charge unregulated fees for service. In addition, The County will no longer receive cost recovery in the amount of \$312,768 by the contract service provider for contract oversight.

Strategic Plan:

N/A

Prior Board Actions:

On November 2, 2021, the Board reviewed changes and approved an updated draft of the RFP which had been returned for editing by the California Emergency Medical Services Authority and approved the RFP for re-submission.

On April 13, 2021 the Board A) reviewed the Matrix of Public Comments and Staff responses and Recommendations; B) approved changes to be incorporated into the RFP; and C) approved the RFP for submission to California Emergency Medical Services Authority (EMSA).

On March 23, 2021 the Board deliberated on the proposed components of the draft RFP for Exclusive Operating Area #1 (EOA 1) for the purposes of submitting the RFP to the California EMS Authority for approval based on the provision of Sonoma County Code Chapter 28-17, adopted by the Board on November 12, 2019.

On October 22, 2019 the Board approved an agreement with Endpoint EMS Consulting, LLC for subject matter expertise and support in developing a request for proposals for an exclusive provider of emergency ground ambulance services in an amount not-to-exceed \$161,000 through December 31, 2021.

On May 21, 2019 the Board approved the third amendment to an agreement with American Medical

Response West for emergency ground ambulance services, providing for an extension of the term through June 30, 2022 with an additional two one-year options and authorizing service rate increases effective July 1, 2019.

On May 8, 2018, the Board authorized the Chair to submit a letter to the California Emergency Medical Services Authority in support of a one-year extension of the Exclusive Operating Area Ambulance Services Agreement through June 30, 2020.

On September 27, 2011, the Board authorized the Director of Health Services to execute an amendment to the American Medical Response West contract for emergency ground ambulance services increasing user fees effective October 1, 2011.

On December 16, 2008, the Board authorized the County Director of Emergency Medical Services Agency to execute the Emergency Ground Ambulance Services Agreement with American Medical Response West.

FISCAL SUMMARY

| Expenditures | FY 21-22 Adopted | FY 22-23 Projected | FY 23-24 Projected |
|------------------------------------|---------------------|-----------------------|-----------------------|
| Budgeted Expenses | \$303,970 | \$312,768 | \$322,151 |
| Additional Appropriation Requested | | | |
| Total Expenditures | 303,970 | 312,768 | 322,151 |
| Funding Sources | | | |
| General Fund/WA GF | | | |
| State/Federal | | | |
| Fees/Other | \$303,970 | \$312,768 | \$322,151 |
| Use of Fund Balance | | | |
| Contingencies | | | |
| Total Sources | \$303,970 | \$312,768 | \$322,151 |

Narrative Explanation of Fiscal Impacts:

Revenue of \$312,768, which is included in the FY 22-23 recommended budget, will be received by the County from the contractor for contract management and monitoring activities provided by the Department of Health Services via Coastal Valleys Emergency Medical Services Agency. This amount is an increase of \$8,798 over FY 21-22. The increase in the revenue will offset the amount of Maddy funding used to cover current expenditures. Revenue and associated expenditures for future years will be included in the appropriate year budgets.

| Staffing Impacts: | | | |
|---|------------------------------------|-----------------------|-----------------------|
| Position Title (Payroll Classification) | Monthly Salary Range (A-I Step) | Additions (Number) | Deletions (Number) |
| | | | |
| | | | |
| | | | |

Narrative Explanation of Staffing Impacts (If Required):

N/A

Attachments:

Attachment 1 - Fourth Amendment to Agreement with American Medical Response West

Attachment 2 - AB 389 Resolution May-10-2022

Related Items “On File” with the Clerk of the Board:

None