

PARAMEDIC AND
NON-EMERGENCY
AMBULANCE SERVICE



AMERICAN MEDICAL RESPONSE

“Our mission is to make a difference by caring for people in need”

October 30, 2012

Kirk Schmitt
EMS Director
County of Monterey
1270 Natividad Rd. (second floor)
Salinas, Ca. 93906

Dear Mr. Schmitt,

Pursuant to Section 6 of American Medical Response’s agreement with Monterey County to provide Advanced Life Support Ambulance Service for the County of Monterey, I am formally requesting our third one (1) year contract extension.

Our contract requires us to be in compliance with three specific sets of performance criteria, performance requirements, financial requirements and clinical performance requirements. The following are highlights of our performance in each area:

Performance:

- Response Time Performance – we continue to remain substantially compliant in each Priority measured maintaining a 92% or higher compliance standard to emergency responses for the past year and averaging 94% or better for the less acute response categories.
- Our efforts to limit any response time disparity by region of the County have proven successful, meeting a 90% compliance in all areas within the County. Our communications personnel have exceeded all standards as well achieving 97% compliance with a 59 second “time of call to dispatch of ambulance” requirement.
- Implemented a NICU transport program in partnership with Salinas Valley Memorial Hospital.
- Equipment – completed replacement of older ambulance fleet by bringing in fuel efficient Sprinter van style ambulances. Purchased new radios at a cost of \$220,000.00 to be utilized in the new County NGEN radio system beginning in 2013. Implemented the use of Capnography, purchased Styker Power Pro stretchers and Stair Chairs for all front line units. And purchased technology to transmit 12 lead EKG’s to participating hospitals.
- Community Education – our efforts at training the citizens of Monterey County in citizen CPR continued throughout 2012, teaching local schools, special events, businesses, etc. training hundreds of citizens in this life saving technique. We provided over 120 hours of community education (far in excess of our contractual obligation) through participation in ambulance demonstrations, the “Every 15 minutes” program, disaster drills in the cities and county, assisting with events such as Health and Safety Fairs,

Patient Focused / Customer Centered / Caregiver Inspired

Junior lifeguard program, Salinas Air Show and Aids Lifecycle. Further illustrating our ongoing commitment to the citizens and communities we serve.

- Monterey County has partnered with Community Hospital of the Monterey Peninsula and piloted an electronic patient care report “direct download” program that allows pre-hospital care reports to be transferred into the hospital medical records system. This is the first direct download program for patient care reports that AMR has completed, and will be basis for implementing direct electronic transfer of patient care records to hospitals across the nation.
- While our performance continues to remain solid there has been a steady decline in ambulance transports over the last few years which is impacting our overall system. Ambulance transports declined from 19,902 in 2009 to 19,052 in 2010 to 18,667 in 2011 and we estimate 18,700 in 2012. It appears the trend has flattened out at this point but this has a direct impact on our ability to maintain financial stability. We are continually managing the ambulance unit hours to match the actual demand for services.

Financial:

- For the year ending December 2011 our pretax profit was \$1,339,524 or 4.9% under the 8% profit cap in our contract. Even with this result being below our profit cap we elected to not increase our rates in 2012. Through a daily focus on unit hour deployment and staffing management, we have been able to maintain financial stability. However, our financial performance has begun to erode some in 2012 and we expect to once again be below the 8% cap.

Clinical Performance:

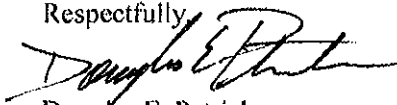
- We continue to train our staff on existing and new medical protocols and EMS policies. All new employees receive this training during their orientation program.
- Utilizing a personnel database we track all employee required certifications/licensures for expiration which is also tied to our scheduling software and will not allow an employee to be scheduled for work with an expired certification/license.
- We actively participate with the County EMS Analyst, Medical Director and area Hospital Liaisons on quality reviews of patient care and conduct routine and specific audits of patient care reports to identify areas to focus our training on.
- Our staff actively participates in various County committees such as Medical Control, Operations, EMCC and STEMI. We also attend various fire service meetings such as EMS Liaisons, Dedicated Fire Dispatch, Fire Operations and the Fire Chief’s meetings. Participation in these meetings allows us the ability to identify issues and address them at an early stage improving the EMS system and overall care to the patients.
- We provide ongoing clinical education programs monthly within AMR addressing current issues in EMS, these educational programs are open to all Monterey County system participants. Nationally AMR presents a program called E-Grand Rounds, where we utilize emergency medicine experts from around the nation who conduct an hour long lecture/web meeting on a specific EMS topic.
- Currently are in the beginning stages of an internal project named “Caring for Maria”. Maria, is a fictional patient who we believe should be treated as we would treat our very own Grandmother/mother. The Caring for Maria project focuses on the key components of patient care, through data collection and evaluation we will be developing ongoing training programs for our staff.

As we continue our relationship with the County it is AMR's desire to continually review and assess the needs of the EMS System and the communities we serve. We remain open to discussions on possible changes to the existing contract that would improve the EMS delivery system and over all patient care.

Additionally, pursuant to section 17 of our agreement, an annual rate increase is to be requested by November 1 of each year. Section 17.3 places a cap on the pre-tax profits which limits the annual rate increase. After two years of not increasing our rates, we believe a rate increase will be necessary to our operation. We would request that we work with the EMS Agency between now and February 1, 2013 to determine the actual increase that may be necessary.

Thank you for your consideration of these items, we look forward to working with the County throughout our contract term.

Respectfully,

A handwritten signature in black ink, appearing to read "Douglas E. Petrick", written over a horizontal line.

Douglas E. Petrick
General Manager