**Monterey County Board of Supervisors** 

MEETING: June 14, 2011 - Consent AGENDA NO.: 39

SUBJECT: Approve and authorize the Director of Health to sign and execute the first one (1) year contract extension with American Medical Response – West (AMR) for the period of

January 31, 2015 through January 31, 2016.

**DEPARTMENT:** Health – Emergency Medical Services Agency

#### **RECOMMENDATION:**

It is recommended that the Board of Supervisors:

Approve and Authorize the Director of Health to sign and execute the first one (1) year contract extension with American Medical Response – West (AMR) for the period of January 31, 2015 through January 31, 2016.

#### **SUMMARY:**

The Emergency Medical Services (EMS) Agency is seeking Board of Supervisor approval to authorize the Director of Health - to sign and execute the first one (1) year ambulance contract extension with American Medical Response – West (AMR) for the period of January 31, 2015 through January 31, 2016.

## **DISCUSSION:**

On December 15, 2009 the Board approved and authorized the Director of Health to enter into an agreement, effective January 30, 2010 with AMR, to provide Advance Life Support Ambulance Services that includes the option for - five one-year additional extensions.

During discussions regarding the request and granting of a one-year extension, a concern was raised in relation to response time compliance for particular zones (North, South A and South B) independent of contract compliance by priority class. Zone specific penalties were discussed during initial development of the contract and parties agreed at that time, to forgo zone penalties in order to maintain ambulance base rates near the 2008 rate. Through this negotiation process with the Director of Health, AMR has agreed to commit forty-eight (48) additional unit hour resources as long as the County will grant a 16 minute response area within the far north end of the North County zone (Attachment E). This 16-minute response area was previously in place during the interim AMR contract of 2008 (Attachment D).

Formation of this 16 minute response area and the additional unit hours shall be piloted until October 2011, at which time AMR reserves the right to seek a rate increase along with an additional 1-year contract extension dependent on associated costs of additional unit hours and benefit (i.e. reduction of late calls in all 3 zones) of the new 16 minute area. AMR and the Director of Health have agreed should there be a rate increase request, the county will institute inclusion of contract language regarding financial penalties to meet response time requirements per zone. The details of this negotiation are reflected in the letter submitted by AMR, dated 4/8/2011 (Attachment C).

Under contract Section 6 "Renewal Provisions" (Attachment A) AMR has met and exceeded the minimum requirements under the provision of earning the first one (1) year contract extension in the following areas (Attachment B):

- Has met 90% contract response time compliance for each Priority each month for last eight months.
- In compliance with clinical performance.
- In compliance with financial requirements.

# OTHER AGENCY INVOLVEMENT:

County Counsel has approved this one year extension as to legal form. Amendment and attachments are on file with Clerk to the Board.

## FINANCING:

This one year extension will have no impact to the General Fund Contribution.

Prepared by:

Kirk Schmitt, EMS Agency Director

Approved by

Ray Bullick, Director of Health

5/18/2011

5/31/11

Attachments: A - Contract Section 6. Renewal Provision on file with Clerk to the Board

B - Response Time Performance by Priority (Eight Month Period) on file with

Clerk to the Board

C - AMR-West letter dated 4/8/2011 on file with Clerk to the Board

D - AMR County response area requirements (2008) on file with Clerk to the

Board

E - AMR 16-minute response area, North County on file with Clerk to the Board

Cc: County Counsel