



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
Health Department

DATE: March 20, 2008
BOARD MEETING DATE: March 25, 2008
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: Majority

TO: Honorable Board of Supervisors
FROM: Charlene A. Silva, Director, Health Department
Barbara Pletz, EMS Administrator
SUBJECT: Emergency Ambulance Request for Proposals

RECOMMENDATION:

Adopt a Resolution authorizing the Director of the Health Department to issue a Request for Proposals (RFP) for Emergency Ambulance Services.

VISION ALIGNMENT:

Commitment: Ensure basic health and safety for all.

Goal 5: Residents have access to healthcare and preventive care.

The emergency ambulance RFP contributes to this commitment and goal by attracting qualified ambulance providers to submit proposals to provide excellent quality emergency ambulance service at a reasonable price to patients and third-party payers.

BACKGROUND:

Health and Safety Code Section 1797.224 permits local Emergency Medical Services (EMS) agencies to create one or more exclusive operating areas (EOA) for ambulance service as long as a competitive process is utilized to select the provider. The last ambulance RFP was conducted in 1997 and the resulting contract with American Medical Response West (AMR) ends on June 30, 2009.

The current contract with AMR includes both emergency ambulance service and fire service paramedic response within the EOA. The San Mateo County Pre-hospital Emergency Services Group (JPA) is a subcontractor to AMR. The County's Public Safety Communications dispatch center (PSC) dispatches the emergency ambulances and fire service paramedic first responders using Computer Aided Dispatch (CAD).

The RFP includes recommendations from the Redesign process which was a year-long process that included the Emergency Medical Care Committee (EMCC) and stakeholders from the EMS system. In addition, your Board heard public testimony on this matter on February 12, 2008 and March 11, 2008.

At your direction this RFP has been modified to reflect your determination that the highest level of county-wide emergency medical response is provided by a system using a joint paramedic first responder and paramedic ambulance system. Further, it reflects your intent to provide the highest level of response while ensuring that patient fees are equivalent to other emergency ambulance service fees in the Bay Area and are reimbursable under applicable regulations. In addition, the option for the ambulance provider to dispatch its own ambulances has been removed from the RFP.

DISCUSSION:

The original Request for Proposals (RFP) has been modified to reflect the direction of your Board; specifically, this RFP deletes the Model A alternative and the option for the ambulance provider to dispatch its own ambulances. This RFP is for Model B only, with a stipulated response time for fire first responder at 6:59 minutes and an ambulance response time of 12:59 minutes, consistent with current service standards.

This RFP requires the proposer to submit sufficient information to determine the estimated savings to the emergency ambulance provider resulting from the JPA providing paramedic first response services. The estimated savings will be based upon a comparison of costs incurred in achieving the California standard ambulance response time for urban areas where the ambulance is the first provider on scene. This response time is 8 minutes, which will be compared to the costs in achieving the extended response time of 12:59 minutes as provided by this RFP.

Information on the estimated savings from longer response times and decreased paramedical staffing is necessary to evaluate whether the proposer is complying with existing regulations and whether these savings are reflected in the proposed patient fees. The County wants to ensure that the JPA is reimbursed for its costs of providing the paramedic first responder services required under this agreement that are in addition to standard fire first response costs. Accordingly, the County assumes for the purpose of this RFP, proposers will reimburse the JPA for these additional costs in an amount up to or equal to the savings achieved.

To that end, the JPA will submit to the office of the San Mateo County Controller detailed information sufficient to determine the estimated annual increased costs incurred by the JPA as the result of providing the paramedic first response required under this RFP rather than providing standard non-paramedic first response. The Controller's office will consult with the Health Department as to the reasonableness and propriety of the estimated annual increased cost set forth by the JPA. After this review is complete, the County will provide each proposer the estimated annual increased costs incurred by the JPA due to providing paramedic first response.

In addition, the Controller's office will consult with the Proposal Evaluation Committee on the fiscal ability of each proposer to implement and continue the services as outlined in this RFP. It will also consult with the Proposal Evaluation Committee as to the reasonableness and propriety of the estimates provided by proposers in regard to the annual savings due to extended response times and single-paramedic staffing. County staff may provide the Controller's office certain historical information in addition to the information provided by the proposers.

The option for the ambulance provider to dispatch its own ambulances has been removed

from the RFP. The Proposer is now required to detail what functions the provider needs from Public Safety Communications (PSC) to be able to deploy its ambulances in the most optimal and efficient manner. Further, the provider is required to commit to participating in any PSC user group established by the County.

The RFP encourages proposers to maintain or decrease the current patient fee structure in the first year of the contract. Patient fees will be fixed for at least one year from the beginning of the contract. Annual fees and future increases will be negotiated after contractor selection and are anticipated to be based on an industry standard for comparable service within the Bay Area.

The deadline for submission of proposals is now July 9, 2008. Following negotiations with the selected contractor, a contract is scheduled to be brought to your Board for approval in January 2009 for a contract start date of July 1, 2009.

FISCAL IMPACT:

There is no fiscal impact associated with the issuance of the RFP.