

PROPOSAL

*EMS System Valuation and
Optimization Study
for
Chula Vista Fire Department*

by
AP Triton Consulting, LLC

July 26, 2019



AP TRITON
VISION · INNOVATION · SOLUTIONS

AP Triton Consulting, LLC
Proposal - EMS System Valuation and Optimization Study
Chula Vista Fire Department

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Section 1 – Description of Proposed Services

Project Overview

AP Triton Consulting, LLC will perform a comprehensive analysis of the value of the Chula Vista Fire Department’s Emergency Medical Services (EMS) system. AP Triton will review financial, economic, and other information provided by the Department to determine the financial viability and forecasted potential revenue of the ambulance transport system.

It is critical that the payor mix be correctly identified and thoroughly understood to provide an accurate estimate for Ground Emergency Medical Transportation (GEMT) and Intergovernmental Transfer (IGT) reimbursements. This information, along with first responder costs, ambulance costs, and additional revenue projections, will provide the Chula Vista Fire Department with a solid valuation of its ambulance transport system.

Work Plan

AP Triton will begin by meeting with Chula Vista Fire staff to review the study’s scope and ensure that the proposed Work Plan and project schedule are mutually agreeable. Throughout the duration of the project, AP Triton will monitor progress and the timely completion of tasks, including providing monthly status reports and oral communications.

AP Triton practices the rule of transparency with all clients. Chula Vista Fire project manager(s) will hear from AP Triton in a timely manner via phone and/or email to ensure there are no surprises or unanswered questions.

Scope of Work for Phase I – EMS System Valuation

1. Conduct cost/revenue analysis, including insured and non-insured payor mix categories, to determine the maximum value of the Department’s Emergency Medical Services (EMS) system. The valuation will analyze the federal reimbursement programs available and provide estimates for both Ground Emergency Medical Transport (GEMT) and Intergovernmental Transfer (IGT) programs.
2. Compile all data into a rough draft for submission to the Chula Vista Fire Department for review with AP Triton Consulting, after which a final report will be issued.
3. Present information to the Chula Vista City Council, if desired.

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Scope of Work for Phase 2 – EMS System Optimization Study

1. Conduct cost/revenue analysis of various options available for the Chula Vista Fire Department to deliver emergency ambulance services in the coverage area for each of the following methods of delivery, including insured and non-insured payor mix categories, and project counties with similar populations and demographics. The following models will be evaluated for the provision of ambulance service:
 - a. Chula Vista Fire Department providing ambulance transport by contracting through one or more private suppliers;
 - b. Partnership (shared services) between Chula Vista Fire Department and private and/or public ambulance provider(s);
 - c. Chula Vista Fire Department providing 100% of the ambulance transport.
2. Work in conjunction with Chula Vista Fire Department staff to establish a recommended path forward, including timelines to implement recommended service delivery model and assignments of Chula Vista Fire Department personnel for areas of responsibility.
3. Compile all data into a rough draft for submission to the Chula Vista Fire Department for review with AP Triton Consulting, after which a final report will be issued.
4. Present information to the Chula Vista City Council, if desired
5. Develop up to three comprehensive PowerPoint presentations for use in educating and informing various stakeholder groups on the ambulance transport concept that best meets the needs of the community and Department. The presentations will incorporate an overview of all the delivery models considered. Possible presentations include:
 - a. City Council - covering delivery method comparisons, cost, revenue, initial investment, impacts to stakeholders, and long-term program benefits.

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- b. Labor group(s) - focusing on pay, benefits, schedules, uniforms, chain of command, and interaction between Department employees and private employees.
 - c. Special interest group(s) - focusing on impacts to the taxpayer and incumbent workforce issues.
 - d. Other fire agencies, City offices, local EMS agency, and affected jurisdictions – with focus as determined by Chula Vista Fire Department.
6. If desired, develop a subcontracting ambulance model that will provide a basis for an RFP for subcontracting to a private provider, inclusive of subcontractor estimates, billing costs, and overhead recommendations.

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Section 2 – Project and Site Visit Schedule

Project Schedule

AP Triton is prepared to start the project at time of contract award and has no commitments or potential commitments which may impact our ability to perform this Agreement. Compliance with the agreed-upon time frame hinges upon Chula Vista Fire Department staff's ability to provide all information and data required in a timely manner.

Project / Site Visit Schedule

Phase 1 – EMS System Valuation

- One trip - if requested, a City Council meeting and delivery of the valuation report
- Unlimited telephone and video conferencing

Phase 2 – EMS System Optimization Study

- One trip - technical client briefing meeting and review of rough draft report
- One trip - if requested, a City Council meeting and delivery of the final report
- Unlimited telephone and video conferencing

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Section 3 - Project Team



Kurt P. Henke, Principal
AP Triton Consulting, LLC

Kurt P. Henke has over thirty-four years of experience in the fire service. He has held the ranks of Firefighter through Fire Chief. Prior to becoming the Fire Chief of the state's seventh largest fire department, Kurt served as Union President of one of the state's largest labor groups, serving multiple Cities and Districts. In addition, he was the Chairman of the California Metropolitan Fire Chiefs, was an Executive Board member of the California Fire Chiefs Association from 2011 through 2014, and was awarded the 2013 California Fire Chief of the Year.

After becoming Fire Chief, Kurt expanded the first responder paramedic and ALS services of his department, all while experiencing one of the worst economic down turns in recent history. He expanded the department's ambulance program into a revenue generating enterprise, bridging several financial shortfalls and making it the third largest fire-based ambulance system in California. Kurt identified, developed, and initiated State legislation to facilitate cost recovery for Ground Emergency Medical Transport (GEMT), which has generated hundreds of millions of dollars statewide to the California Fire Service ambulance providers. During his tenure, Kurt is also known for re-constituting relationships between all levels of governance and the private sector. These reciprocal, trust-based relationships increased collaborative opportunities locally and regionally for the District and statewide for the Fire Service as a whole. Upon his retirement from the Fire Service in October 2014, he formed AP Triton Consulting, LLC, with his business partner, Scott Clough. AP Triton Consulting, LLC is a nation-wide emergency medical services consulting firm which specializes in maximizing revenue to states, counties, cities, and districts through their delivery of pre-hospital emergency medical services.

Kurt is currently the case manager for the anti-trust litigation filed by the California Fire Chiefs Association which endeavors to protect public sector (201) ambulance providers in the state of California.

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Scott A. Clough, Principal
AP Triton, LLC

A thirty-three year member of California's fire service, Scott started his career as a hand crew member in southern California and worked his way through the ranks. He has held the ranks of Firefighter/ Paramedic, Captain, Battalion Chief, and Chief of EMS. His last position held was that of Assistant Chief assigned to the Office of the Fire Chief with one of the largest fire departments in California.

Scott is most noted for his work in creating California's GEMT program, where he currently functions as the Public Sector Program Manager. While working as the Chief of EMS for his agency, he restructured his department's ambulance and EMS delivery system from the fire service norm of "breakeven at best" to one of revenue generation that put his department on par with the best private ambulance systems in the country, helping to establish it as the third largest fire-based ambulance system in California. His "run it like a business" strategy for EMS has earned him recognition by the California State Firefighters Association (CSFA) and California Fire Chiefs Association. Scott serves as the EMS Chair for CSFA and as an EMS advisor to California Fire Chiefs Association, California Metro Chiefs, and the League of California Cities. Scott has been a noted speaker to the California Ambulance Association, Nevada Fire Chiefs, Utah Fire Chiefs, California Fire & EMS Disaster (CFED) Conference, League of Cities, and the Fire District Association of California, and has written articles on EMS and cost recovery for several publications.

Upon retirement from the fire service, he formed AP Triton Consulting, LLC with his business partner, Kurt Henke. AP Triton Consulting, LLC is a nation-wide emergency medical services consulting firm which specializes in maximizing revenue to states, counties, cities, and districts through their delivery of pre-hospital emergency medical services. Scott is the lead negotiator for the California Fire Chiefs Association in expanding the current GEMT program. Currently Scott is involved in establishing the same programs in Oregon, Washington, Missouri, Kansas, Nebraska, and Alaska. He is considered the premiere expert in these reimbursement programs.

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Mike DuRee, CEO / Managing Partner
AP Triton, LLC

Mike has over 30 years of experience in the Fire and EMS services. He is a veteran of the United States Marine Corps and served, honorably, during the first Gulf War. He was discharged from active duty in 1994, Mike joined the Long Beach Fire Department in 1994, after his discharge from active duty. He served in every rank and was selected to the position of Fire Chief in 2012. During his career, Mike was an instrumental part of both labor and management, serving as President and Vice President of the Firefighters Association prior to moving to the management ranks.

Mike is highly skilled at motivating others and is recognized for his ability to bring groups together to achieve common goals. He has an exemplary record of leading teams in the areas of public safety, emergency preparedness, team/relationship building, communication, and fiscal responsibility.

During his career, Mike was instrumental in developing and implementing cutting-edge programs that led to greater fiscal responsibility, greater accountability, and enhanced community expectations and trust. With his background in fire-based Emergency Medical Services, Mike developed new programs that focused on the care and treatment of low acuity, high propensity users of the system to minimize impacts on the service delivery system. Mike developed the first response unit, nationwide, to deal with the growing homeless population. The “HEART” team drew national attention and has become a best practice model that other cities and counties now embrace.

Mike served as President of the Los Angeles Area Fire Chiefs Association, President of the California Fire Chiefs Association, and is currently the EMS Section Chair of the International Association of Metropolitan Fire Chiefs, representing over 300 Fire Chiefs from the largest Fire Departments world-wide. Mike has both his Bachelor’s degree and Master’s degree in Public Administration and is certified at the State and Federal levels for Emergency Management and Public Information.

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Section 4 – Relevant Project Experience

The following is a sampling of the projects that AP Triton Consulting has worked on.

Contra Costa County Fire Protection District - Ambulance Service Feasibility Study

AP Triton conducted a fire-based Ambulance Feasibility Study for the Contra Costa County Fire Protection District (population over 1 million). The study foundation was developed by determining what the current and past insured and uninsured payer mixes were. These payer mixes were all inclusive which, together with other demographic information, allowed AP Triton to determine the maximum value of the system. The study then analyzed the Federal Reimbursement programs available and provided estimates for both GEMT (Ground Emergency Medical Transport) and IGT (Intergovernmental Transfer) programs. Several options were proposed for consideration by the Fire District, and the Public-Private Partnership (contractor/subcontractor) option was chosen. AP Triton then provided services to select the private (subcontractor) partner and managed the response to the County-wide RFP for Ambulance service. Contra Costa County Fire was awarded the contract for ambulance service through a competitive bid process. They have increased their response time compliance from a level of 89-90% under the former provider to an average of 96% across all response zones. Further, their ambulance transport system, which was historically under questionable sustainability, now turns a \$10 million profit annually and has amassed a reserve of \$19 million. AP Triton Consulting is currently on a maintenance and system retainer agreement through March 2021 to assist the Contra Costa County Fire Department in operating its ambulance transport system.

Alameda County Fire Protection District - Ambulance Service Feasibility Study

AP Triton conducted a fire-based Ambulance Feasibility Study for the Alameda County Fire Protection District (population over 1.5 million). After considering the options provided, an RFP was developed to recruit a private sector contractor.

City of Anaheim Fire and Rescue - Ambulance Subcontracting Feasibility Study and Ambulance Subcontract RFP Process

AP Triton conducted a fire-based Ambulance Subcontracting Feasibility Study for the City of Anaheim Fire and Rescue (population: 352,500). This included a comprehensive analysis of the value of the City of Anaheim's ambulance service area. A subcontracting ambulance model was developed, inclusive of all subcontractor estimates, billing costs, and overhead recommendations. Working with the City of Anaheim's Purchasing and Legal Departments, a Request for Proposal (RFP) was created for ambulance billing services. AP Triton assisted the City with the issuance of the RFP, served as the single point of contact for technical questions that the respondents had, and assisted City staff in the review of responses to ensure that all met the minimum qualifications required by the RFP. In addition, AP Triton assisted the City of Anaheim in the design of scoring sheets, established a review/interview panel, and served as consultants and facilitators of the interview process. Once the successful respondent was selected, AP Triton assisted the City of Anaheim in developing a contract that was then reviewed and approved by the City of Anaheim's legal department.

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City of Costa Mesa Fire Department - Ambulance Service Feasibility Study

AP Triton conducted a fire-based Ambulance Feasibility Study for the City of Costa Mesa Fire Department (population 112,000). The study foundation was developed by determining what the current and past insured and uninsured payer mixes were. These payer mixes were all inclusive which, together with other demographic information, allowed us to determine the maximum value of the system. The study then analyzed the Federal Reimbursement programs available and provided estimates for both GEMT and IGT programs. This study provided several options for the Department to consider; the Public-Private Partnership (contractor/subcontractor) model was chosen. AP Triton then assisted in the successful negotiations with the chosen private (subcontractor) partner.

San Bernardino County Fire Protection District - EMS Valuation / Assessment Study

AP Triton Consulting conducted an assessment of the financial structure of the San Bernardino County ambulance system to determine which areas could be subject to competitive bid, the value of the system, the resources needed to provide services to those areas, the cost to implement those services, the time needed to secure equipment, the continued operating costs, and the ability to provide additional services to enhance system delivery.

California Fire Chiefs Association

AP Triton serves as Project Manager to the California Fire Chiefs Association for legal issues, such as 201 rights, anti-trust, and underground regulations. In addition, AP Triton serves as Lead Negotiator on all GEMT and IGT programs with the State of California Health and Human Services and Center for Medicaid Services.

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AP Triton Consulting, LLC Client List

AP Triton has also worked with:

- *Alaska Fire Chiefs Association*
- Brea Fire Department
- California Fire Chiefs Association
- Citygate Associates
- City of Colton/Loma Linda Fire Department
- City of Downey Fire Department
- City of Fresno Fire Department
- City of San Jose Fire Department
- Exeter District Ambulance
- Fullerton Fire Department
- *Hawaii Fire Chiefs Association*
- Huntington Beach Fire Department
- *Idaho Fire Chiefs Association*
- *Kansas Fire Chiefs Association*
- Kern County Fire Department
- Laguna Beach Fire Department
- Lompoc Fire Department
- Los Angeles County Fire Department
- *City of Milwaukee Fire Department (Wisconsin)*
- *Missouri Association of Fire Chiefs*
- *Nebraska Fire Chiefs Association*
- *Oregon Fire Chiefs Association*
- PARSAC
- *Central Pierce Fire Protection (Washington)*
- San Ramon Valley Fire Protection District
- Santa Clara County Fire Chiefs Association
- Santa Cruz County Fire Chiefs Association
- City of Santa Monica Fire Department
- *Skagit County Department of Emergency Medical Services (Washington)*
- *Tualatin Valley Fire and Rescue (Oregon)*
- *Utah Fire Chiefs Association*
- *Washington Fire Chiefs Association*

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Section 5 – Cost Proposal

Phase 1 - Cost/Billing

Cost of Phase 1 - \$32,000 in 3 installments

- \$10,000 due upon award of contract
- \$16,000 due upon delivery of draft valuation
- \$ 6,000 due upon delivery of final valuation

Phase 2 - Cost/Billing

Cost of Phase 2 - \$30,000 in 2 installments

- \$20,000 due upon delivery of draft report
- \$10,000 due upon delivery of final report

All invoices shall be due within thirty days from the date of the invoice submitted to the Chula Vista Fire Department.

The above costs do not include travel. Travel shall be pre-approved by Chula Vista Fire Department and expenses (airfare, hotel, transportation, parking, meals, etc.) shall be invoiced separately at actual costs.

The cost of any changes to this proposal will be priced individually and agreed to, in writing by both parties, before additional work is performed.

This proposal is good for a period of up to 30 days from the date of the proposal.