



CITY COUNCIL AGENDA STATEMENT



September 24, 2019

File ID: 19-0409

TITLE

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA WAIVING THE COMPETITIVE BIDDING REQUIREMENT AND APPROVING AN AGREEMENT WITH AP TRITON CONSULTING, LLC TO ANALYZE VALUATION AND OPTIMIZATION OF THE FIRE DEPARTMENT'S EMERGENCY MEDICAL SERVICES SYSTEM CONCERNING AMBULANCE TRANSPORTATION IN THE CHULA VISTA EXCLUSIVE OPERATING AREA, AND APPROPRIATING FUNDS THEREFOR (4/5 VOTE REQUIRED)

RECOMMENDED ACTION

Council adopt the resolution.

SUMMARY

Since 1979 the City of Chula Vista, City of Imperial Beach, and the Bonita Sunnyside Fire Protection District (known as the Chula Vista Exclusive Operating Area or EOA), have contracted with a private emergency ambulance transportation company to provide services in their collective jurisdictions. These agencies entered into a renegotiated agreement with American Medical Response (AMR) on October 1, 2018 to deliver emergency ambulance transportation services for a period of three years, with a termination date of September 30, 2021. In order to provide the City Council with sufficient information regarding ambulance transport options, the necessary scope of work by the consultant includes medical transport system valuation and optimization of the Fire Department's EMS system concerning ambulance transportation in the Chula Vista EOA.

ENVIRONMENTAL REVIEW

The Director of Development Services has reviewed the proposed activity for compliance with the California Environmental Quality Act (CEQA) and has determined that the activity is not a "Project" as defined under Section 15378 of the State CEQA Guidelines because the proposal consists of a governmental plan of action related to the City's preparedness in the event of a natural or manmade disaster and which will not result in direct or indirect significant physical impacts on the environment. Therefore, pursuant to Section 15060 (c)(3) of the State CEQA Guidelines the activity is not subject to CEQA. Thus, no environmental review is necessary.

BOARD/COMMISSION/COMMITTEE RECOMMENDATION

Not Applicable.

DISCUSSION

Background

Within the past several years, the Fire Department has reviewed major areas affecting its service delivery. These areas included the department's outdated policy on replacement of major equipment and fire apparatus, the effectiveness and efficiency of its deployment of emergency resources and staffing in terms of their ability to achieve Council directed performance thresholds; as well as an analysis on the state of disrepair of several fire stations that included a recommendation for the replacement and re-location of fire stations to optimize response capability of the fire station network. With continuous support of City Council, each of these major components have undergone or are in the process of undergoing substantial improvements.

In its review of necessary improvements to service delivery, the fire department has also assessed another major service component; Emergency Medical Services (EMS). The EMS system in Chula Vista has remained unchanged for almost 40 years with the exception of the implementation of First Responder Advanced Life Support (FRALS) in 2013. Full implementation occurred in 2015, two years ahead of schedule, when the department completed the inclusion of one firefighter/paramedic on every fire apparatus citywide. The addition of FRALS now provides advanced level of care to patients in the field prior to the arrival of the ambulance.

The South Bay Exclusive Operating Area (EOA), has existed since the late 1970's. EOA partners include the Chula Vista Fire Department, Imperial Beach Fire Department and the Bonita/Sunnyside Fire Protection District. Since 1977, the EOA has contracted with a private paramedic ambulance transportation company to deliver medical transport from the emergency scene to local hospitals for definitive care. The successful transition to FRALS, has prompted the department to review all components of its emergency medical services system, beginning with dispatch and continuing all the way through patient delivery to the appropriate medical resource via ALS ambulance transport.

The review found that many of the challenges experienced by the FRALS first responder system, such as increasing call volume and static number of resources, are also present in the ALS ambulance transport system. The current system design makes it difficult to implement improvements since we are engaged in a contractual relationship in which the contractor controls the operational and financial components, with any desired system improvements subject to negotiations in the allowable base rate charge. Recent developments in the state regulatory system, namely the California Emergency Medical Services Authority (CA EMSA), have prompted city staff to further evaluate other methods of providing emergency medical transport services that would allow the city direct administrative control of ALS ambulance transport operations and finances and the opportunity to seek improved services to the community.

The City is the administrator and provider of our ALS ambulance transport services since 1977 but has always subcontracted for the actual delivery of emergency medical ambulance transport. Based on an internal review by Fire Administration and also by an independent preliminary review by AP Triton, the City believes that by taking direct administrative control of the transport system it will provide the opportunity to solve performance issues without layers of negotiations, staff time and resources, and management with external agencies. Prior to making a formal recommendation to the City Council, staff would like to have a

more in depth analysis performed by AP Triton that will provide more data analysis and specific recommendations regarding the future of ALS ambulance transport services for the EOA.

AP Triton Sole Source Rationale

After entering into a three-year agreement with AMR for emergency medical transport, the City Manager directed staff to obtain an independent financial review of the medical transportation system, including a data analysis to establish the recommended level of service and potential delivery models for emergency medical transport within the EOA. With that directive staff began an internal review of the system and then shortly after began working with AP Triton, an EMS consulting firm, to evaluate transport system needs and finances. AP Triton has acquired an understanding of our local EMS system through a review of performance and finance, with initial findings demonstrating that increased levels of service at a cost-effective price are possible with a system redesign. Staff have found these initial findings promising and are requesting a more thorough evaluation of the value of EMS transport and system performance thru this scope of work. The conclusion is that AP Triton has the following advantages in conducting a thorough system analysis in an expedient manner that justifies issuing a sole source contract for consulting services pursuant to City Council's approval.

Time Sensitive Ability to Act

The acquisition of a suitable consultant is paramount to the ability to act in a timely manner and move towards a new enhanced system design. By selecting a previously utilized consultant who has already amassed extensive local information on EMS operations and finances thru previous project work for the City of San Diego, and who has existing knowledge of the EOA's current sole source provider transport system, we believe there is an opportunity to transition to a new transport system with the goal of improving services to the EOA area.

Financial Expertise

A singular advantage that AP Triton has in providing EMS consulting services for the City is their current role as the leader in emergency medical transportation reimbursement for government providers of EMS transport services. While in their previous roles leading a large fire-based EMS transport system, the principal members of AP Triton are also the individuals solely responsible for creating and introducing the current California Ground Emergency Medical Transport (GEMT) legislation. They recognized that providing medical transport services for Medicaid patients did not yield net revenues to cover the cost of services provided. Based on the existing in-patient disproportionate share hospital program, AP Triton pursued the creation of an emergency medical transport version of reimbursement available to local governments only.

Recently, an additional reimbursement program called the Quality Assurance Fee (QAF) has been created for all providers of emergency medical transport, public and private. Currently, AP Triton has also created and introduced additional pending legislation (AB-1705: MediCal, Emergency Medical Transportation Services). This bill, known as Intergovernmental Transfer (IGT), will rely on the payment per transport and resulting matching federal funds.

The first-hand involvement of AP Triton in these federal reimbursement programs makes them uniquely qualified to evaluate the valuation and design of the EMS medical transport system. Utilizing existing research information in the areas of response and finance will reduce the time needed to complete the scope of work. Evaluating options for system design that have already been reviewed with local conditions will also help reduce the projected timeline to issue an RFP if required, which would meet the need for timely execution.

Legal and Legislative Expertise

AP Triton possesses an understanding of the EMS regulatory process that allows them to advocate successfully on behalf of their local government clients. AP Triton serves as the sole EMS consultant for the California Fire Chiefs Association (CFCA), which has brought several legal challenges in recent years to state and county regulatory agencies. These issues include a challenge to the regulations governing the administration of EMS service areas, which led to the withdrawal of all relevant regulations as they were not adopted thru the Office of Administrative Law (OAL) process over the last 35 years. AP Triton’s successful involvement in these legal challenges is a crucial asset to the City as it contemplates exercising direct administrative control over the emergency medical services transport system. AP Triton has also been involved in the legislative process as previously discussed. As the consultant for CFCA, AP Triton has advocated for the creation of increased federal reimbursement programs such as GEMT, QAF, and IGT, which increases the net revenue for government-based EMS providers.

DECISION-MAKER CONFLICT

Staff has reviewed the decision contemplated by this action and has determined that it is not site specific and consequently the 500-foot rule found in California Code of Regulations section 18704.2(a)(1) is not applicable to this decision.

CURRENT-YEAR FISCAL IMPACT

There are no General fund costs associated with this contract for consultant services. The agreement will be funded by the Advanced Life Support program. The cost for the full scope of work is \$62,000, plus any reimbursement for invoiced costs such as airfare, hotel, etc. Appropriations are requested in the amount of \$65,000 from ALS Fund Other Capital Budget Category to the ALS Fund Supplies and Services Budget Category.

ONGOING FISCAL IMPACT

None.

ATTACHMENTS

Attachment #1 Chula Vista Fire Scope and Cost Proposal for System Valuation

Attachment#2 Consultant Services Agreement