

DATE ISSUED: November 10, 2004

REPORT NO. 04-244

ATTENTION: Honorable Mayor and City Council  
Agenda of November 15, 2004

SUBJECT: Extension of Emergency Medical Services (EMS) Agreements

REFERENCE: City Manager's Report 04-219, dated October 4, 2004  
City Manager's Report 04-153, dated July 9, 2004

#### SUMMARY

Issue - 1) Should the Mayor and City Council approve the extension of the Emergency Medical Services Agreements to continue services currently provided by San Diego Medical Services Enterprise (SDMSE), L.L.C.?

2) Should the Mayor and City Council direct the City Manager to prepare a lease agreement with SDMSE for property located at Interstate 15 and Aero Drive for ambulance and employee parking?

Manager's Recommendation – 1) Approve the continuation of the Emergency Medical Services Agreements to continue services currently provided by SDMSE.

2) Direct the City Manager to prepare a lease agreement with SDMSE for property located at Interstate 15 and Aero Drive for ambulance and employee parking.

Physicians Oversight Board Recommendation – Extend the Emergency Medical Services agreements to continue services currently provided by SDMSE.

Emergency Medical Services Oversight Board Recommendation – Extend the Emergency Medical Services agreements to continue services currently provided by SDMSE.

Other Recommendations – Fire Fighters Local 145 who participated in the contract discussions, endorses the recommendations.

Fiscal Impact – Based on anticipated Insurance Savings, the annual City subsidy of \$650,000 will be eliminated. The Medicare/Medi-cal offset will be capped at \$250,000 per fiscal year beginning in Fiscal Year 2006.

## BACKGROUND

The current EMS Agreement term is from July 1, 2002 through June 30, 2005 and includes a provision to extend the term for three additional years to June 30, 2008.

On July 14, 2004 the Public Safety and Neighborhood Services (PS&NS) Committee approved the City Manager's recommendation to continue paramedic services provided by SDMSE and, directed the City Manager to negotiate extensions to the Emergency Medical Services agreements associated with the provision of paramedic services.

Negotiations proceeded with representatives from the City Manager's Office, San Diego Fire-Rescue Department (SDFD), Rural/Metro Corporation, SDMSE, Fire Fighters Local 145 (Local 145), the Municipal Employees Association (MEA), and the City Attorney's Office.

As a result of negotiations, on October 6, 2004 City Manager's Report 04-219 (attached), which outlined proposed changes to the Emergency Medical Services Agreements, was presented to the PS&NS Committee. The Committee voted unanimously to approve the continuation of paramedic services provided by SDMSE including contractual changes outlined in the report.

## DISCUSSION

Subsequent to the October 6, 2004 PS&NS meeting, additional information was received which slightly modifies the original proposal outlined in City Manager's Report 04-219. The following details the changes occurring after the October 6, 2004 meeting that are proposed:

- **TERM**
  - All agreements will be extended beginning December 1, 2004 for a period of three years and seven months ending June 30, 2008. This change is occurring in order to lock-in favorable insurance rates and immediately implement proposed system enhancements.

- **INSURANCE**

- As a result of receiving additional insurance information, Fiscal Year 2005 City savings previously anticipated to be utilized for the purchase of Mobile Data Computers (MDC's) for Basic Life Support (BLS) ambulances, and to help fund improvements to the parking site located at Aero Drive and Interstate 15, will not be realized.
- SDMSE will be responsible for placing MDC's on BLS units.
- A lease agreement will be prepared for the parking site located at Aero Drive and Interstate 15 for ambulance and employee parking. The City will provide SDMSE with a tenant improvement allowance up to \$200,000 for Capital Improvements to the site. SDMSE will repay the allowance through monthly lease payments beginning January 1, 2005 over a period of 12 months.

- **RESPONSE TIMES**

- At the PS&NS Committee meeting on October 6, 2004, Council member Frye moved that if at anytime during the term of the SDMSE extension, SDFD is no longer responsible for dispatching 9-1-1 medical emergencies, the provision regarding response time requirements will be re-evaluated by the City and SDMSE.
- Council member Frye's recommendation has been incorporated into the EMS contracts.

SUMMARY

San Diego Medical Services Enterprise, L.L.C. is a unique and successful provider of emergency medical services and medical transportation. The unique blend of public and private philosophies, combine to bring out the best of both service delivery types.

ALTERNATIVE:

1. Do not accept the recommendations and direct the City Manager to continue negotiations with SDMSE.

Respectfully submitted,

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Donna Goldsmith  
EMS Program Manager

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Approved: Richard Mendes  
Deputy City Manager

MENDES/GOLDSMITH

Attachments: [1. City Manager's Report #04-219](#)  
[2. City Manager's Report #04-153](#)