



THE CITY OF SAN DIEGO
REPORT TO THE CITY COUNCIL

DATE ISSUED: July 1, 2009

REPORT NO. 09-103

ATTENTION: Public Safety and Neighborhood Services Committee Meeting
Agenda of July 8, 2009

SUBJECT: Emergency Medical Services (EMS) Contract Award

REFERENCE: 1). RFP Proposal No. 9560-09-V, Emergency Medical Transport
Services
2). Report Number 08-203, dated November 6, 2008, entitled
Emergency Medical Services (EMS) Contract Extension

REQUESTED ACTIONS:

1. Authorize the Mayor to execute a contract for Emergency Medical Transport Services (EMS) with San Diego Medical Services Enterprises (SDMSE), for a period of five (5) years from the date of the fully executed contract with an option to renew for an additional five (5) year period.
2. Direct the City Attorney to draft the documents, including a new operating agreement, required to award the contract to SDMSE.

STAFF RECOMMENDATION:

Execute a contract with SDMSE for Emergency Medical Transport Services for a period of five (5) years from the date of the fully executed contract with an option to renew for an additional five (5) year period; and direct the City Attorney to draft the required documents including a new operating agreement.

BACKGROUND

Per the City Charter, as well as mandates by the California EMS Act and the Health and Safety Code, the City is required to conduct a competitive procurement process for Emergency Medical Services (EMS) at certain intervals.

The State of California Health and Safety Code (Section 1797.224) delegates to each individual County's local EMS agency, the responsibility to define an EMS plan. Within the County of San Diego's plan, the City of San Diego is identified as an exclusive

operating area. The County has delegated to the City the responsibility to conduct its own competitive process, "at periodic intervals." In the Request for Proposal (RFP) process conducted in 1996, this interval was defined as a 5 year contract with two 3 year renewals beginning July of 1997.

The City of San Diego has contracted for Emergency Medical Transportation services since 1978. Paramedic ambulance service began with Medevac Ambulance in 1978 lasting through 1984. In 1984, Hartson Medical Services was awarded the contract through 1993. American Medical Services was the next provider and the contract was put to bid by the City in 1996 without consideration for extension. Significant performance issues arose during American Medical Services' contract period ultimately resulting in calls from the County of San Diego's Health and Human Services agency declaring the system to be, "a ticking time bomb."

An extensive "blue ribbon" review of the City's Emergency Medical Services system was incorporated into the development of a Request for Proposal for Medical Transportation Services in 1996. The system currently in place, which pairs Fire-Rescue Department first responder (engine and truck company) paramedics with an Emergency Medical Technician and paramedic staffed ambulance, is a result of the blue ribbon task force review conducted in 1996. Of the three bids received, the proposal selected for award was the current joint venture, limited liability partnership between the Fire-Rescue Department and Rural/Metro of San Diego, called San Diego Medical Services Enterprise (SDMSE).

The City's first effort to conduct a competitive procurement process for the contract that was due to expire on December 30, 2008 experienced a number of significant challenges, including a final determination by the County of San Diego that the RFP did not meet state law requirements relating to conducting a fair and competitive process. In their letter, the County specifically stated "... the RFP lacked competition by requiring the winning proposer to joint venture with the City of San Diego Fire Department. By crafting the RFP in this way, the City has exempted itself from the competition and has appointed itself as the EMS provider with the successful proposer. In order to comply with Section 17.97.224, if the City wants to be the EMS provider they must participate in the competitive process...." As a result, the RFP was cancelled and the existing contract was extended with County approval. Report Number 08-203 provides details of the circumstances and contract extension.

In collaboration with County of San Diego EMS staff and Counsel, a new RFP was drafted, approved and released February 20, 2009. The RFP was drafted to ensure the system is responsive to public expectations of service, dwindling tax revenue support for local services, provides for a strong movement toward healthcare cost containment and complies with State and County regulations. In addition, it allowed for any type of service delivery method.

DISCUSSION

Proposal No. 9560-09-V – Emergency Medical Transport Services was released February 20, 2009. In an effort to reach out to as many potential proposers as possible, the RFP was posted on Purchasing & Contracting's (P&C) website, advertised in the Daily Transcript and sent to approximately 70 ambulance providers and/or interested parties. Proposals were due May 15, 2009.

Two pre-proposal meetings were held. The initial meeting was March 6, 2009 where the Director of Purchasing & Contracting advised potential proposers of requirements and provided an opportunity for questions. The City's written response to questions received was posted on P&C's website March 20, 2009. A second pre-proposal meeting was held March 27, 2009 where the Fire-Rescue Department presented a comprehensive overview of the City's current EMS system and made themselves available for additional questions.

Purchasing & Contracting received one proposal with copies provided to the Technical Review & Evaluation Committee (comprised of two Fire Chiefs from other jurisdictions, and one representative from the IBA's Office and Assistant Chief Operating Officer's staff) for individual evaluation and scoring. The Committee met June 9, 2009 to discuss individual ratings and achieve consensus. Consensus was achieved and upon receipt of reference check results and the pricing proposal, the Committee recommended that the sole proposer, SDMSE, be awarded the EMS contract.

Summary of Proposal

SDMSE was rated "Exceptional" in all categories. They proposed the continuation of the existing public/private partnership (Rural/Metro Ambulance and the Fire-Rescue Department), a delivery model designed in 1996, and developed over the years to reduce the City's operational cost structure and improve the level of service provided (i.e. response time performance standards). SDMSE has provided EMS services to the City for the past 12 years and is currently providing services through a contract extension.


SDMSE proposed to continue providing services with no City subsidy. The 50/50 profit sharing arrangement with the City will be continued. They projected the City's annual share to be approximately \$1.4 million. Attachment 1 provides historical information on the City's share of profits since FY2000. They proposed a number of system changes and enhancements, including funding 2 ambulances serving the communities of Tierrasanta and Paradise Hills resulting in a general fund cost savings of approximately \$1.4 million. Their proposal also includes replacement of 98 cardiac monitor/defibrillators on San Diego Fire-Rescue Department fire trucks and engines, the provision of disposable medical supplies to First Responders, all radio equipment and reimbursement of several City positions and non personnel expenses for EMS operations. They are the largest medical transportation provider in the County of San Diego and have secured numerous contracts outside the City's 911 system. Of particular benefit is the

County Service Area 17 contract that offers the advantage of contiguous service coverage between the City and the community of Del Mar Heights.

A number of enhancements were also proposed including, use of electronic devices (i.e. DriveCams, Automated Vehicle Locators and Chute Time Monitoring Tool) capable of measuring vehicle idle time to enhance dispatch of emergency vehicles, upgrading deployment planning software, incorporating wireless technology in all ambulances to allow real-time communication with receiving hospitals and upgrading the electronic Patient Care Record software. Attachment 2 provides additional details regarding the current system components that will be maintained and major system changes and enhancements.

Given the partnerships' extensive experience, seamless operations, compliance in City-wide response times and cost effective service delivery model, we recommend awarding the City of San Diego's Emergency Medical Services contract to SDMSE.

Respectfully submitted,

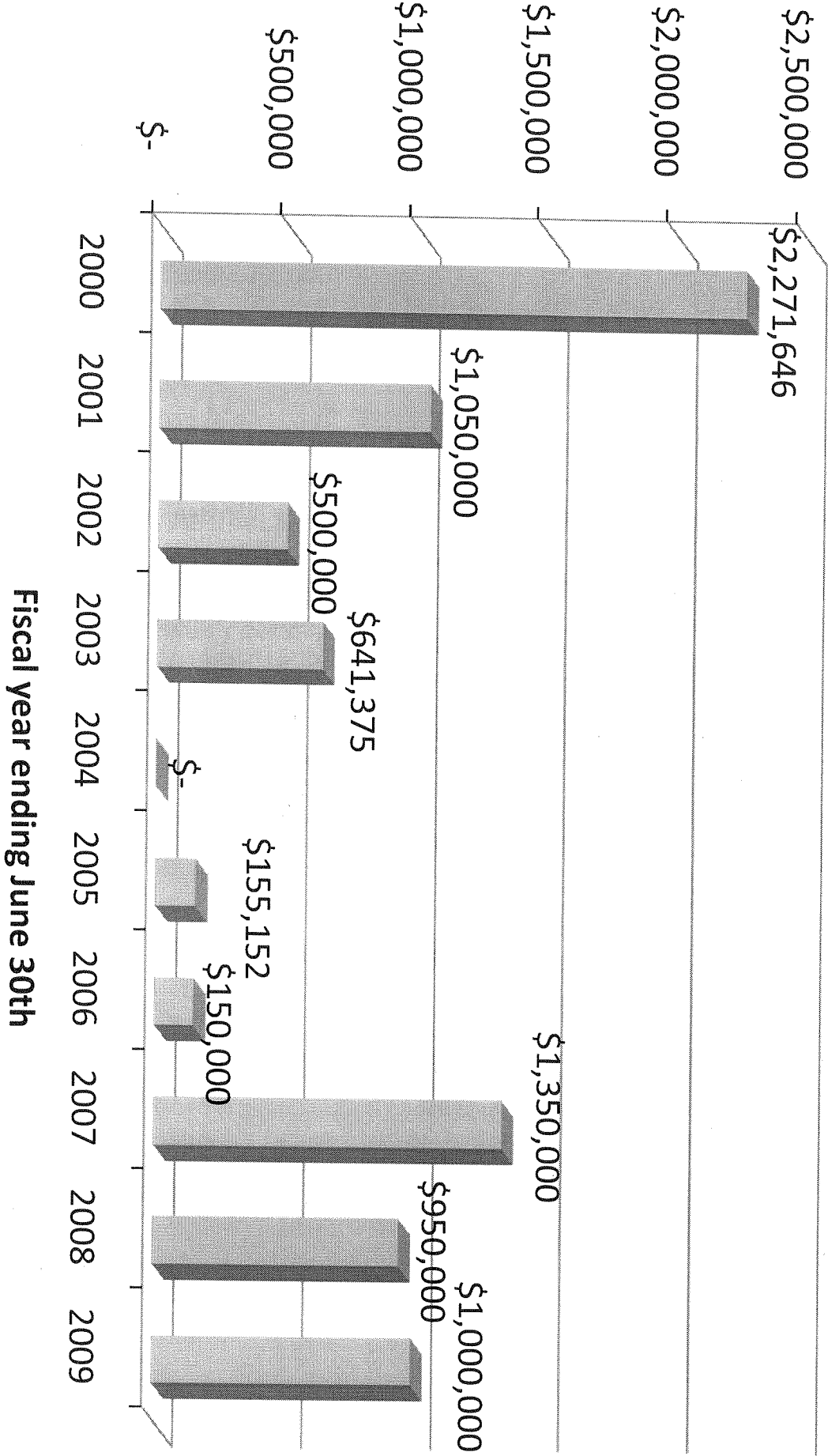

Debra Fischle-Faulk
Director of Administration

Approved:


Wally Hill
Assistant Chief Operating Officer

Attachments: 1. San Diego's Share of EMS Profits
2. System Components and Enhancements

San Diego's Share of EMS Profits



Emergency Medical Services RFP - Attachment 2

EMS System Element	RFP	SDMSE Proposal	Current System	Enhancement
City of San Diego Exclusive Operating Area (EOA). ¹	X	X	X	
Performance-based contract.	X	X	X	
Provisions for default of EMS contract provider.	X	X	X	
4 Emergency Response Zones (ERZ).	X	X	X	
4 Medical Priority Levels ² / Ambulance Response Time Standards	X	X	X	
Priority Level				
Compliance				
Response Time				
Level 1	90%	12 min 0 sec		
Level 2	90%	12 min 0 sec		
Level 3	90%	15 min 0 sec		
Level 4	90%	30 min 0 sec		
All 911 calls to be processed by City emergency medical dispatchers (EMD) via the Fire Communication Center (FCC).	X	X	X	
Training and EMD certification, CPR certification, and Re-accreditation.	X	X	X	
Accreditation by the Commission on Accreditation of Ambulance Services (CAAS).	X	X	X	
City may provide office space, facilities for ambulance parking, and the ability for provider to purchase fuel at City depots.		X	X	
City to provide First-Response service on life-threatening incidents.	X	X	X	
Public/Private partnership model.		X	X	
50/50 Profit Share.		X	X	
City to provide contract administration and management services for the Contract resulting from this RFP.	X	X	X	
City to monitor the EMS system's performance and compliance.	X	X	X	
Implement the Mobile Area Routing & Vehicle Location Information System (MARVLIS) which automatically adjusts for day/time and seasonal EMS system demands, traffic patterns and "hotspots."		X		X
Performance reporting to the City EMS Program Manager.	X	X	X	

Emergency Medical Services RFP - Attachment 2

EMS System Element	RFP	SDMSE Proposal	Current System	Enhancement
Internet-based tool for call exception reporting and monitoring by the City's EMS Program Manager.		X		X
Penalty provisions for non-compliance, appeals process.	X	X	X	
City to provide Medical Direction for the City's system.	X	X	X	
Payment of a per transport fee to contribute to City's EMS Medical Director salary and the cost of an emergency response vehicles.	X	X	X	
City Medical Director's EMS Enhancement Fund.		X	X	
			ambulances are currently part of the existing system - funding source shift from City to provider	
Fund dedicated ambulances (one each) for geographically hard-to-serve communities of Tierrasanta and Paradise Hills (currently City-funded @ \$1.4M).	Desired ³	X		X
Fund an ambulance dedicated the City's STAR (Special Tactics and Rescue Team) Program.	Desired	X	X	
Reimbursement of several City positions and non-personnel expense for EMS Operations .	Desired	X	X	
Carry medical malpractice, general liability and other business insurance as required.	X	X	X	
Fund a City Risk Manager/Claims Administrator position.	Desired	X		X
Provider to fund .25 City Auditor position relating to EMS contract oversight.	X	X	X	
Fund the City Paramedic Specialty Pay for rated City paramedics.	Desired	X	X	
Dedicate one (1) full-time Analyst (paramedic) to evaluate Patient Care Reports (PCRs). This position shall report to the City's Quality Assurance Manager; and two (2) FTE Information Technology positions in support of the CAD.	X	X	X	

Emergency Medical Services RFP - Attachment 2

EMS System Element	RFP	SDMSE Proposal	Current System	Enhancement
Furnish all equipment necessary to provide required service (e.g on-board equipment, medical supplies and personal communications equipment) in accordance with the County of San Diego EMS approved inventory.	X	X	X	
Replace 42 cardiac monitor/defibrillators to be carried on ambulances.	X	X		X
Purchase 98 cardiac monitor/defibrillators to replace those that have surpassed useful life on San Diego Fire-Rescue Department's fire trucks and engines.	Desired	X		X
Pay 1/3 of the yearly cost to maintain the Computer Aided Dispatch (CAD) system.	X	X	X	
Fund all radio equipment.	X	X		X
Provide a 24/7 medical supply center.	X	X	X	
Provision of disposable medical supplies to SDFD First Responders which is not only a cost saving measure but eases operations of First Responders to restock supplies.		X	X	
Community education and outreach.	X	X	X	
Work with the Medical Director to develop procedures, alternative support resources, and interventions to provide access to care alternatives for high-frequency EMS patients.	X	X	X	
Resource Access Program (RAP) - an innovative approach to connect high frequency EMS users with resources, programs and services that will reduce their reliance on the 911 system.		X		X
Implement wireless technology in ambulances to allow real-time communication with receiving hospitals as to patient's condition on scene or en route.		X		X
Upgrades to the proprietary electronic Patient Care Record (ePCR) software, TapChart, which allows for better patient documentation and web-based data collection for better medical review and audits.		X		X
Integration of electronic ePCR with hospital records.		X		X

Emergency Medical Services RFP - Attachment 2

EMS System Element	RFP	SDMSE Proposal	Current System	Enhancement
Use of electronic devices such as DriveCams, Automated Vehicle Locators (AVL) to monitor all vehicles.		X	X	
Implement a Chute Time Monitoring Tool (capable of measuring vehicle idle time before proceeding on route to a call).		X		X

¹Pursuant to Division 2.5 of the California Health and Safety Code, the County of San Diego designated an EOA that includes all of the City of San Diego and the San Diego Lindbergh Field Airport, with the exception of the community area of Del Mar Heights which is part of the County Service Area 17's EOA.

²Priority levels are: Level 1 (Life-threatening emergency), Level 2 (Non Life-threatening emergency), Level 3 (Urgent), Level 4 (Unscheduled, non-emergency).

³Listed in the City's RFP as a "desirable" contribution, but not mandatory that the Proposer provide.