



# Public Safety Committee Memorandum

*City of Arts & Innovation*

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**TO: PUBLIC SAFETY COMMITTEE** **DATE: SEPTEMBER 21, 2016**  
**FROM: FIRE DEPARTMENT** **WARDS: ALL**  
**SUBJECT: AMBULANCE FRANCHISE FEES FOR AMERICAN MEDICAL RESPONSE**

**ISSUE:**

Receive a report on American Medical Response franchise fees paid to the City of Riverside.

**RECOMMENDATION:**

That the Public Safety Committee receive the report on American Medical Response franchise fees paid to the City of Riverside.

**LEGISLATIVE HISTORY:**

Chapter 5.66 of the Riverside Municipal Code outlines the administration of ambulance services within the City of Riverside.

**BACKGROUND:**

The County of Riverside, through its Department of Health, is the local Emergency Medical Services (EMS) agency for an area that includes the City of Riverside. The County, working with the City, entered into a Master Agreement with American Medical Response (AMR) that designated AMR as the exclusive provider of emergency ambulance transport services. The terms of the Agreement allowed AMR to arrange for Advanced Life Support first responder services (ALS) with approval from the County. As a result, AMR entered into a contract with the City for provision of ALS first responder services—which the City is authorized to administer pursuant to the Emergency Medical Services System and the Prehospital Emergency Medical Care Personnel Act.

The current contract between the City and American Medical Response (AMR) for Advanced Life Support and Basic Life Support transport services was initially adopted by City Council on October 5, 2010, for the period covering October 1, 2010 through June 30, 2012 with the option to extend for two additional periods of time of no less than three years each if mutually agreed upon.

On June 19, 2012, the City Council approved the first amendment and extension to cover the period of July 1, 2012, through June 30, 2015. On June 23, 2015, City Council approved and authorized the City Manager to execute the second amendment to the agreement by and

between the City of Riverside and AMR for Advanced Life Support (ALS) and Basic Life Support (BLS) Transport services until June 30, 2018. The current contract includes terms and conditions for both emergency and non-emergency ambulance services, as AMR is the only ambulance provider authorized for both 9-1-1 and non-emergency ambulance transport services.

### **DISCUSSION:**

AMR's current contract provides that they pay the City of Riverside a monthly amount of \$123,111.79 to fund the Fire Department's paramedic program, including EMS training, supplies and equipment procurement, and other ALS activities. Per terms of the agreement, AMR's payment to the City is increased annually by a percentage amount equal to the CPI rate percentage less one percentage point, but not less than 2.5%, effective July 1 of each year. The contract further provides for monetary penalties if AMR fails to meet response time standards.

In December 2014, the City of Riverside established a franchise fee of \$1,200 per ambulance per year for ambulance companies granted a franchise for non-emergency medical transportation only, which includes BLS and Critical Care Transportation (CCT) services. The franchise fee was established to recoup associated costs to the City for overseeing all non-emergency ambulance franchisees.

The current contract with AMR authorizes both 9-1-1 generated and non-emergency ambulance transports thus AMR is not subject to the new franchise fee for non-emergency medical transportation. When the existing contract with AMR expires in 2018, the Fire Department will renegotiate a new contract which will separate emergency and non-emergency medical services. The Fire Department's goal is to have all contracts for non-emergency medical services consistent.

### **FISCAL IMPACT:**

There is no fiscal impact associated with the receipt of this report.

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availability of funds:	Scott G. Miller, PhD., Chief Financial Officer/City Treasurer
Approved by:	Alexander T. Nguyen, Assistant City Manager
Approved as to form:	Gary G. Geuss, City Attorney

Attachment: Presentation