



# City Council Memorandum

*City of Arts & Innovation*

**TO: HONORABLE AND CITY COUNCIL**

**DATE: JUNE 25, 2024**

**FROM: FIRE DEPARTMENT**

**WARDS: ALL**

**SUBJECT: APPLICATION FOR MEDICAL TRANSPORT FRANCHISE AND RESOLUTION OF INTENT TO GRANT AN AMBULANCE MEDICAL TRANSPORT FRANCHISE TO AMERICAN MEDICAL RESPONSE**

## **ISSUE:**

Approve the application for Medical Transport Ambulance Franchise from American Medical Response Ambulance Service, INC. (AMR) to perform Advanced Life Support (ALS) and Basic Life Support (BLS) transport service and adopt a resolution of intent to grant an Ambulance Medical Transport Franchise to AMR and schedule a Public Hearing for July 16, 2024.

## **RECOMMENDATIONS:**

That the City Council:

1. Approve the Application for Medical Transport Ambulance Franchise from AMR to perform ALS and BLS transport services.
2. Adopt a resolution of intent to grant an Ambulance Medical Transport Franchise to AMR.
3. Schedule a Public Hearing for July 16, 2024, for the purpose of adopting an ordinance granting the Medical Transport Ambulance Franchise to AMR.

## **COMMITTEE RECOMMENDATION:**

The Safety, Wellness, and Youth Committee met on May 15, 2024, with Chair Perry, Vice Chair Conder and Member Mill present, to consider the American Medical Response Franchise Application and the Operational Agreement. After discussion the Committee unanimously voted to recommend that the City Council approve the Franchise Application and Operational Agreement for AMR.

## **LEGISLATIVE HISTORY:**

Applications for a Medical Transport Franchise are covered under Chapter 5.66 of the Riverside Municipal Code (RMC), which identifies the rules, laws, and processes that the City Council has identified for ambulances to operate within the City such as franchise/permit fees, application process, service requirements, mutual aid requires, personnel and rates. Section 5.66.050 requires that upon receipt of an application, the Medical Transport Franchise Administrator shall conduct an investigation to determine if the applicant meets all requirements of the governing RMC Chapter.

The Fire Chief, or designee, is the controller of the ambulance franchise and has the responsibility under the RMC to act as the ambulance franchise “Administrator.” The Administrator’s investigation is to include consulting with and, if possible, obtaining the assessment of the application by the Health Officer or the Local EMS Agency. (RMC Section 5.66.50)

The Administrator is required to prepare and issue a report to the Safety, Wellness, and Youth Committee, present a copy to the applicant, and request a meeting of the Committee be called to consider the report and other testimony. (RMC Section 5.66.050)

## **BACKGROUND:**

The County of Riverside Department of Public Health is the local Emergency Medical Services Agency (REMSA) for the area that includes the City of Riverside. In 2015, the County of Riverside and American Medical Response Ambulance Service (AMR) entered into an agreement as the exclusive emergency ambulance service for the County of Riverside. The City of Riverside entered into a Franchise Agreement on November 8, 2018, for ambulance service and within one (1) extension to the franchise, which expires on November 8, 2024.

The Riverside Municipal Code requires that emergency ambulance providers operate under a franchise with the City of Riverside. On October 9, 2018, the City adopted Ordinance No. 7440, granting AMR a franchise to operate authorized ambulance services on City streets, subject to the terms of the ordinance, for a term of five years expiring on June 30, 2023. The term of the ordinance was extended by resolution of the City Council for one (1) year (RMC Section 5.66.020, 5.66.090, City Charter Section 1302.)

The City of Riverside has historically used the same ambulance provider that Riverside County Emergency Medical Services Agency (REMSA) has contracted with for 9-1-1 Advance Life Support Services. This arrangement has been beneficial, but it is not without its challenges. However, the City of Riverside has retained the administration of our Emergency Medical Services (EMS), which is required under the Health & Safety Code 1797.201, to allow the City of Riverside to administer franchise agreements and ambulance permits in accordance with the Riverside Municipal Code 5.66 “Ambulances”. This is a unique advantage for the City. Should the City desire, we have retained the exclusive right to manage, independent of the County, our own Emergency Medical Services.

The previous two franchises and operational agreements were executed with five-year terms from 2010 to 2018. In 2018, a new franchise ordinance and operational agreement were executed, with the term of service from 2018 to November 8, 2024.

## **DISCUSSION:**

Current Ambulance Service:

AMR is currently the only 9-1-1 Originated Call Franchise provider within the City of Riverside.

Franchise Applicant:

AMR is based in the City of Riverside and has submitted a renewal application for a Medical Transport Franchise for 9-1-1 Originated Calls for the service within the city. A copy of the application is included as Attachment #1 to this report, including AMR Ambulance’s supporting documentation requesting a Medical Transport Franchise.

## A. Medical Transport Franchise Administrator's Findings:

The Administrator is required to review AMR Ambulance's franchise application and has investigated in accordance with the Riverside Municipal Code with the following conclusions:

1. Riverside County EMS Review: Consulted with Riverside County EMS Agency (REMSA) to determine whether it had any evidence or data indicating that there was unmet public health or safety concerns. In the "Performance Period Fiscal Year 22/23 Requested Earned Annual Renewal" outlines why AMR did not earn its annual renewal, which is outlined in the information below:
  - AMR did not earn their contractual annual renewal for the following:
    - i. Within the Riverside Zone AMR did not meet the 90% adjusted compliance with the delay response exemptions.
  - AMR Response time and overall performance in the Riverside City Subzone:
    - i. Did not meet the minimum (90%) or enhanced (91%) response time performance in 2022 and 2023.
2. City of Riverside Contractual Review:
  - Compliance: AMR was non-compliant with the Advance Life Support (ALS) mandate, sending Basic Life Support (BLS) ambulances to ALS level calls, which is outside of the current 2018 ALS First Responder Agreement (AMR & City of Riverside). ALS ambulances provide advanced medical care with paramedics, while BLS ambulances provide a lower level of care with emergency medical technicians. When a BLS ambulance responds for medical aid, it requires the paramedic from the Riverside Fire Department to ride with the BLS ambulance crew to continue advanced medical care treatment when it is clinically indicated. Patients with critical medical needs now only have one paramedic providing the needed medical treatment, when there should be two.
    - i. CY2022: A total of 1,403 incidents BLS ambulance responded in the City of Riverside, requiring a City of Riverside Fire Department paramedic to provide ALS care with the BLS ambulance.
    - ii. CY2023: 230 BLS ambulances responded in the City of Riverside, requiring a City of Riverside Fire Department paramedic to provide ALS care with the BLS ambulance.
    - iii. CY2024: No BLS ambulance have responded in the City of Riverside.
  - Delayed Responses:
    - i. Did not meet minimum (90%) or enhanced (91%) response time performance for the months of March, April, May, August, September, October, and November 2023 for The Riverside Zone.
  - Breach of Contract Letters:
    - i. March 14, 2023, letter sent to AMR due to contract response times and ALS mandate.
    - ii. February 23, 2024, letter sent to AMR due to contract response times and ALS Mandate.
    - iii. April 15, 2024, a letter sent to AMR due to contract response times.
  - Customer Surveys: Reviewed Customer Satisfaction Surveys with representatives of the three main area hospitals and ten area additional convalescent hospitals within the city. In all cases, the facilities were satisfied with the services AMR provided.

- CAAS: Ensure AMR maintains a valid Certificate of Accreditation by the Commission of Accreditation of Ambulance Services (CAAS).
3. AMR Improvements: As a result of the contractual challenges, AMR has strived to make improvements in staffing and service delivery. Efforts included establishing a travel medic program, improving system status deployment model, implementing paramedic school scholarship program and the development of an apprenticeship program, which is the first in the state.

Additionally, AMR added as many as 1000-unit hours per week above pre-pandemic staffing models within Riverside County, which is a part of the Riverside Zone. As a result of these efforts, AMR has achieved 90% adjusted compliance in December 2023 and January, February, and March of 2024.

B. AMR Operational Contract:

The AMR Operational Contract between the City of Riverside and AMR is completed.

1. Term: The new Franchise and Operational Contract will run through November 8, 2027, with the ability to extend both terms for at least three (3) additional periods of time, no more than one (1) year each.
2. Contract Financials:
  - AMR will pay the City of Riverside one hundred and sixty-five thousand, two hundred and twenty-four dollars, and eleven cents (\$165,224.11) per month for an ALS first responder fee, which totals one million, nine hundred and eighty-two thousand and six hundred and eighty-nine dollars and thirty-two cents (\$1,982,689.32). The fee shall increase by 3% annually.
  - AMR will pay \$1,800.00 per month per Fire Station for using the City of Riverside's four Fire Stations.
  - AMR will pay \$30,000 annually to reimburse the City of Riverside for equipment that supports the restocking of EMS supplies.
  - AMR will pay one hundred and forty-four thousand, eight hundred and twenty-one dollars, and thirty-five cents (\$144,821.35) per year for a Dispatch Emergency Medical Dispatch Coordinator.
3. Contract Penalties: Several new penalties have been established to address deficiencies identified in the previous contract, including a penalty specifically related to BLS response times. Additionally, two new penalties have been introduced to ensure accountability and performance improvement.
  - AMR BLS ambulances shall arrive on scene in twenty (20) minutes and fifty-nine (59) seconds or less, at least ninety percent (90%) of the time, or fees will be assessed.
  - Three hundred sixty dollars (\$360.00) for the ambulance crew's failure to report their arrival at the scene, and the at-scene time is not verifiable by other reliable means.
  - Five hundred dollars (\$500.00) for any incident when AMR refers a call to a Basic Life Support Unit (BLS), except expressly permitted by the City in the RFD EMD MPDS PROTOCOL MATRIX-City of Riverside.

## **STRATEGIC PLAN ALIGNMENT:**

The item contributes to Strategic Priority No. 2 Community Well-Being and Goal No. 2.6 – Strengthen community preparedness for emergencies to ensure effective response and recovery.

This item aligns with each of the five Cross-Cutting Threads as follows:

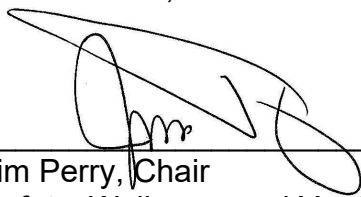
1. **Community Trust** – This agreement with AMR will ensure the citizens, visitors, and employees of the City of Riverside are provided with emergency transportation service services when a medical emergency is presented.
2. **Equity** – By providing emergency transportation services for all citizens, visitors, and employees to the City of Riverside, we are ensuring that emergency services are accessible and equitable for everyone.
3. **Fiscal Responsibility** – The Riverside Fire Department, as a prudent steward of public funds, ensures that relationships between public and private partnerships are leveraged, demonstrating our commitment to responsible financial management.
4. **Innovation** – Riverside is inventive and timely in meeting the community's changing needs by updating the emergency service franchise agreement to ensure emergency service transportation is available when called.
5. **Sustainability & Resiliency** – Riverside is committed to meeting the needs of the present without compromising the needs of the future and ensuring the City's capacity to provide emergency services to the community.

## **FISCAL IMPACT:**

The total fiscal impact of the contract with AMR is \$2,243,910.67 in revenue annually paid to the City by AMR plus additional penalties and other fees, which vary from month to month and are unknown at this time. All revenue will be recorded in the City's general fund. The Ambulance franchise fee in the amount of \$1,858 is a one-time payment when the application is submitted to the Fire Department.

Prepared by:	Steve McKinster, Deputy Fire Chief
Approved by:	Michael D. Moore, Fire Chief
Certified as to availability of funds:	Kristie Thomas, Finance Director/Assistant Chief Financial Officer
Approved by:	Mike Futrell, City Manager
Approved as to form:	Phaedra A. Norton, City Attorney

Concurs with;

  
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Jim Perry, Chair

Safety, Wellness, and Youth Committee

Attachments:

1. Attachment 1 - Resolution
2. Attachment 2 - Application for Medical Transport Ambulance Franchise
3. Attachment 3 - 2021-2022 AMR Annual Response Time Report
4. Attachment 4 - AMR Compliance Summary 1-1-2023 to 12-31-2023
5. Attachment 5 - 2024 Customer Surveys
6. Attachment 6 - AMR New Franchise Agreement PowerPoint