



## Legislation Text

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**File #:** 19-0090, **Version:** 1

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**TO:**

Honorable Mayor and Members of the City Council

**THROUGH:**

Bruce Moe, City Manager

**FROM:**

Derrick Abell, Acting Fire Chief/Chief of Police

Mike Boyd, Fire Battalion Chief

**SUBJECT:**

Consideration of an Agreement with McCormick Ambulance to Provide Emergency Ambulance Transport Services (Acting Fire Chief Abell).

**ADOPT RESOLUTION NO. 19-0027**

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**RECOMMENDATION:**

Staff recommends that the City Council adopt Resolution No. 19-0027 approving an agreement with McCormick Ambulance to provide emergency ambulance transport services.

**FISCAL IMPLICATIONS:**

The Fire Department Emergency Medical Services program budget has sufficient funding to provide this service. The \$380 per transport cost paid to McCormick will be offset by revenue that the City is able to generate from billing. The estimated annual net revenue is \$185,600 (based on 580 estimated transports a year and an average of \$700 collected per transport).

**BACKGROUND:**

The Fire Department currently staffs one Advanced Life Support (ALS) Paramedic ambulance and two ALS Paramedic Engines. ALS is medical service provided by two licensed paramedics. Paramedics perform advanced airway management, EKG interpretation, defibrillation and administration of medications. Examples are; chest pain, stroke, seizure, difficulty breathing, severe trauma. A Basic Life Support (BLS) ambulance, which is used for non-life-threatening injuries or illnesses, is periodically staffed when part-time personnel are available. In 2017, nearly 1,300 patients were transported; of those, approximately 580 were BLS transports, an average of 1.7 BLS transports a day.

If our Fire Department ambulance is not available, the RCC will request a private BLS ambulance response. Although the private ambulance provider has averaged a satisfactory response time of 9 minutes and 6 seconds (January - May 2018), there is no response time requirement because we do not have a contract. At times, the requested private ambulance response may be delayed or not available.

At the April 16, 2018, Fire Operations Study Session, City Council provided direction to explore short-

term options to enhance ambulance transport services. At the August 21, 2018, City Council meeting, staff presented City Council with four service model options to enhance current emergency transport services. Upon review, City Council directed staff to develop a contract for emergency ambulance services on a fee-for-service basis.

### **DISCUSSION:**

McCormick Ambulance has the highest number of private ambulance resources in the South Bay, and has been the most consistent partner in supplementing Manhattan Beach's ambulance needs in past years. They also currently contract with the cities of Torrance, Redondo Beach, Hermosa Beach and Los Angeles County Fire Department to provide emergency ambulance services.

Approving the proposed contract with McCormick ambulance company would provide consistent BLS transportation availability. The contracted BLS ambulance services will be used to transport all BLS patients and occasionally ALS patients accompanied by Paramedics from our Engine Companies or our regional partner Fire Departments.

Ambulance transports conducted by Manhattan Beach Fire Department ambulances are billed at rates in line with the fee schedule set by Los Angeles County, which is currently \$2,282 for ALS transport and \$1,523 for BLS transport. Ambulance bills are paid by four categories of payers - Medicare/Medicaid (52%), commercial Insurance (30%), self-pay (18%), and contract (<0.1%). Manhattan Beach collected an average of approximately \$700 per transport in 2017 (transports covered by Medicare/Medicaid are billed at a deeply discounted rate, as required by law).

Currently, Manhattan Beach does not perform the billing function for transports provided by private ambulance providers; the private provider handles all billing and retains all revenue. Under the proposed contract, the City would manage the billing process. The City would pay the private ambulance company \$380 per transport. Under this arrangement, staff projects a net revenue stream of approximately \$185,600 per year, which helps offset the cost of City paramedic services.

McCormick will be contractually obligated to respond when requested. They must maintain a monthly response time compliance rate of 90% for all Code 2 (without red lights and sirens) and Code 3 (with red lights and sirens) responses combined. Code 2 responses must not exceed twenty-nine minutes and Code 3 responses shall not exceed fourteen minutes and 59 seconds.

It is important to note that Manhattan Beach Fire Paramedics arrive on scene in 4 minutes and 30 seconds on average. Upon arrival, Paramedics immediately begin to assess, treat and stabilize the patient for transportation. These critical actions can take place prior to the BLS ambulance arrival.

### **PUBLIC OUTREACH:**

After analysis, staff determined that public outreach was not required for this issue.

### **ENVIRONMENTAL REVIEW**

The City 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; 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.

### **LEGAL REVIEW:**

The City Attorney has reviewed this report and approved as to form the agreement.

**ATTACHMENTS:**

1. Resolution No. 19-0027
2. Agreement - McCormick Ambulance