



County Administration Office

“We Support the Board of Supervisors in achieving their goals through service & collaboration with the County Departments and the Community”

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To: Board of Supervisors

From: Eric Erhardt, Assistant County Administrator
Steve Boyack, Assistant Director Health and Human Services

Subject: Discussion of Manteca District Ambulance Services' notice to the County to end its contract and terminate ambulance services in Tuolumne County effective May 5th, 2022 and staff direction regarding options to ensure ambulance service are available in the County.

Background

Since 1987, Ambulance service in Tuolumne County has been provided through a public/private partnership between the County of Tuolumne and Manteca District Ambulance Service (MDA). The County owns the facilities, vehicles, and equipment necessary to provide the services while MDA provides the staffing for the daily operations. Through its Health and Human Services Agency, Tuolumne County also provides the fiscal and administrative oversight for the ambulance service as well as the billing for those services. The County currently operates four ambulance stations throughout the county with five advance life support (ALS) ambulances units operating 24 hours a day. ALS ambulances are staffed with at least one paramedic and an EMT. Basic Life Support ambulances are staffed with two EMT's for patients that require a lower level of care.

The five ALS ambulance responded to a total of 7,541 calls for service in fiscal year 2021. Included in those calls for service are approximately 1,200 calls to Adventist Health Sonora for the transfer of patients to other facilities outside of Tuolumne County. Under the current agreement, MDA also provides for the transport of residents suffering from a mental health crisis from Adventist Health Sonora once they have been medically cleared to facilities outside the county that provide the services they require. In fiscal year 2021, 201 transfers were conducted by MDA for patients to psychiatric facilities.

The current agreement was approved in 2015 following a thorough Board of Supervisors analysis of options for future ambulance services in Tuolumne County. Following that review, staff was directed to maintain the partnership with MDA and a new agreement was reached with a term to expire in June of 2026.

In July of 2020, MDA notified the County that due to the incremental increase in minimum wage, they would require a 10% increase in their contracted amount to maintain a satisfactory operational margin. The contracted rate for Fiscal Year

2020-21 was \$3,719,057. The agreement also includes an annual increase based on the United States Bureau of Labor Statistics Employment Cost Index for total compensation for state and local government workers in professional and related occupations.

In February of 2021, your Board approved a rate increase for ambulance services. Those rate increases took effect incrementally on March 1, 2021 and again on July 1, 2021. The resolution for the rate increases also included an annual rate increase moving forward that is consistent with the Consumer Price Index (CPI) for the San Francisco region for all urban consumers. The intent of these increases was to cover the ongoing increasing cost of services as well as the 10% increase in the cost of the contract requested by MDA.

Also, in February of 2021, your board approved an increase to the compensation for the contract for MDA in the amount of 10% as was requested. For fiscal year 2021-22 the contracted amount is \$4,090,963, which will be subject to the annual increase in July of 2022, pursuant to the original agreement.

Notice by MDA

On November 5th, 2021, staff was presented with written notice of intent to terminate the current agreement effective May 5th, 2022 from William “Bill” Caldera, the Chief Executive Officer for MDA. Upon receipt of that notice, staff promptly schedule a meeting with MDA to understand what prompted the notice to terminate and to potentially seek a resolution.

On November 8th, staff met with MDA and learned that one of the primary reasons for this notice was the inability of MDA to recruit and retain adequate staff to provide the services needed. It was expressed that this was due to a national shortage of paramedics as well as the number of transfers that are occurring from Adventist Health Sonora to other facilities outside Tuolumne County. There were other minor issues brought up, but the multitude of transfers was the identified as the primary driving factor.

Under the current agreement, MDA is required to respond to the hospital when a transfer is requested by the facility. The response is required regardless of circumstances or time of day. The only limitation to this is when two of the five ambulances are already out of the county on other transfers. This is done to ensure there is still adequate resources available for 911 calls. Over the years the number of transfers out of county has continued to increase with the current average being 100 transfers per month. This does not include the approximate 200 transfers per year for those in mental health crisis . Concluding the meeting on November 8th, MDA expressed their interest in continuing the 911 service but only wanted to transfer from the hospital as a supplemental service to the hospital at their discretion, with the hospital being responsible for the majority of the transfers.

In response to the information and request from MDA, staff met with MDA and the leadership of Adventist Health Sonora on December 9th. The discussion focused on the number of transfers and what the impacts would be if MDA had greater discretion on when and how to respond and if they could function in a supplement capacity to the hospital. Ultimately it was determined that the hospital did not have the current capacity to provide transportation for patients and they would still need the service provided under the current agreement from MDA. Additionally, the type and timing of transfer requested is always determined by the attending physician. This is based on the needs of the patient as well as the need to create capacity within the hospital to treat other incoming patients, ensuring the members of our community are receiving the appropriate level of care in the most efficient manner possible.

Following that meeting, staff requested that MDA provide proposed changes to the current agreement that would meet their needs and ultimately cause them to rescind their letter of intent to terminate. A follow up meeting was scheduled with MDA on December 22nd to discuss those proposed changes. There were request for some changes to the language regarding county facilities and vehicles, but the primary focus again was the change to the language regarding transfers from the hospital. Discussion at that meeting led to some additional changes requested by MDA. Some of the requested changes were rescinded while other changes were proposed.

The final request from MDA included language that would give MDA discretion on which transfers to respond to and when. Their propose changes would also eliminate transfers for patients in mental health crisis effective July 1, 2022, give them the ability to staff one of the 5 ALS ambulances as a BLS ambulance, and a 5 % increase in the contract effective July 1, 2022. The increase in the contract would be used for staff salaries and to increase hiring incentives to increase recruitment and retention.

If the County agreed to these changes, there would be significant impacts to the operations of Adventist Health and their ability to get members of our community the level of care they require that is not available in Tuolumne County. Regarding the transfers for patients in mental health crisis, Tuolumne County has a legal obligation to provide transportation for those patients to a psychiatric facility which we do not have in Tuolumne County. The current agreement already includes language that states if the cost index increases by 5% or more, or by 1.5% or less in the previous 12 months of the agreement then parties shall negotiate compensation for the following 12 months rather than basing it on the cost index.

Options

1. Accept the proposed changes from MDA to prevent the current notice of termination from taking effect on May 5th, 2022. This would require the county to find additional service providers for patients needing transfer to psychiatric facilities. This may also require the county to seek additional services for the transfer of patients to facilities outside the county.
2. Accept the notice of termination and direct staff to issue a Request for Proposals for a new service provider that would provide for 911 services, hospital transfers, and psychiatric transfers as a complete single system that would provide either the same or greater level of service Tuolumne County residents receive currently.

Recommendation

Staff recommends your Board direct staff to issue a Request for Proposals for future ambulance services in Tuolumne County to include emergency response, medical transfers as well as behavioral health transfers.