

AGREEMENT
between
COUNTY OF SANTA BARBARA
and
AMERICAN MEDICAL RESPONSE WEST
BC-05-168
FOURTH AMENDMENT
Effective January 1, 2020

This Fourth Amendment is to the Agreement for Services, number BC-05-168 (“Agreement”), by and between the County of Santa Barbara (“County”) and American Medical Response West (“Contractor”), for the provision of emergency and non-emergency ambulance services for advance life support and pre-hospital care.

WHEREAS, the current term of the Agreement is effective through December 31, 2019;

WHEREAS, the parties desire to amend the Agreement to extend the term three years through December 31, 2022;

WHEREAS, the parties desire to implement system improvement initiatives;

WHEREAS, Section 10.3 of the Agreement set Contractor's annual profit cap at eight percent (8%) percent pre-tax of net revenue;

WHEREAS, the Agreement stipulates that if revenues exceed the eight percent (8%) cap, the County will implement a review of ambulance rates, and if the profit rate falls below six percent (6%) pre-tax, for any given three (3) month period, the Contractor has the right to submit to the County cause for a financial review and provide all the appropriate financial documentation to petition for a rate increase;

WHEREAS, Contractor submitted an Independent Auditor's Report following standard accounting practices which identifies the Contractor's annual pre-tax profit margin percentage to be negative nine and one-half percent (-9.52%) for calendar year 2018;

WHEREAS, the County, through the Auditor-Controller's Office, and the Emergency Medical Services Agency (EMS Agency), have reviewed said documentation and is hereby forwarding the petition for a rate increase to the County Board of Supervisors;

WHEREAS, both parties desire to amend Section 10 of the Agreement and replace Exhibit D and Exhibit H with new rates and new payment schedules, respectively;

WHEREAS, this Fourth Amendment incorporates the terms and conditions set forth in the Agreement, approved by the County of Santa Barbara.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, County and Contractor agree as follows:

1. **Definitions.** Capitalized terms used in this Fourth Amendment, to the extent not otherwise defined herein shall have the same meanings as in the Agreement.
2. **Amendments.** The Agreement is amended as follows:

SECTION 1 – ADMINISTRATION OF THE CONTRACT AND TERMS *subsection 1.2 is deleted and replaced in its entirety with:*

1.2 Term of Contract

The term of this Agreement shall commence at 00:01 hours on January 1, 2005 (Effective Date), and shall terminate at midnight on December 31, 2022, unless terminated earlier pursuant to the terms and conditions of this Agreement.

SECTION 4 – OPERATIONS

4.1 Response Time Standards *subsection "I" is deleted and replaced in its entirety with:*

I. Interfacility Transport Response Times

Interfacility transports (IFT) are defined as requests for ambulance services that originate from a licensed health care facility for transportation of a patient or patients to another licensed health care facility. Both the Contractor and the Public Safety Dispatch Center shall use an EMS Agency approved call prioritization algorithm to determine the most appropriate Transport Level. The Contractor shall respond and be on-scene at the originating facility within the following structure (at least 90% of the time):

Transport Level	Response Time
1	15 minutes
2	30 minutes
3	60 minutes desirable (but may be longer due to SSM)

Response Time Exemptions for Interfacility Transports (IFT)

All of the exemptions for calls outlined in Section 4.1, (E), 2 shall also apply to interfacility transports. Additionally, the following exemptions are allowable for IFT calls:

1. Transport will place the system below acceptable standards of the SSM plan (Standards to be approved by System Status Committee);
2. Originating facility requests inappropriate level of transport, resulting in a late call at another location; and
3. Transports assigned to the Critical Care Transport (CCT) unit shall be exempt (but Contractor agrees to make best effort to respond as quickly as possible).

The Contractor shall provide a quarterly report to the EMS Agency on IFT Compliance and annually to the Contract Compliance Committee.

Contractor is prohibited from sending more than two ALS 9-1-1 response ambulances to non-emergency responses outside of the Santa Barbara County boundaries, unless prior authorization is received by the EMS Agency.

SECTION 4 – OPERATIONS

4.3 Equipment and Supplies *subsection "B" is deleted and replaced in its entirety with:*

- B. Ambulance Equipment and Supplies.** Each ambulance shall, at all times, maintain an equipment and supply inventory sufficient to meet the standards of Title 13 of the California Code of Regulations, the California Vehicle Code, County ordinances and regulations, and local

requirements for ALS and BLS level ambulances, including the requirements of the EMS Agency Policies and Procedures. Contractor shall be responsible for stocking all expendable supplies including medications.

All medical equipment shall be in good repair and in working and safe order at all times. Contractor shall maintain a surplus of all required supplies sufficient to sustain operations for a minimum of thirty (30) days.

Contractor shall ensure at their own cost that each ambulance is equipped with appropriate emergency communication and alerting devices. Every ambulance shall have the ability to communicate at all times and locations with the County Communications Center, Base Hospital, fire agencies, and public safety agencies. Contractor shall ensure that each ambulance utilized in the performance of services under the Agreement is equipped with emergency alerting devices as identified by the Dispatch Implementation Team capable of being used to notify ambulance personnel of response need; and radio communications equipment compatible with county communications equipment (Med Channels) sufficient to meet or exceed the requirements of County Policies and Procedures.

Within ninety (90) days after commencement of operations and annually thereafter during the Annual Compliance Report process, Contractor will prepare an Equipment Replacement Plan to County that shall include, but not be limited to, the number of ambulances and a listing of the durable equipment that is scheduled to be removed from front-line service in that year.

SECTION 5 – PERSONNEL

5.1 Clinical and Staffing Standards subsection "A" is deleted and replaced in its entirety with:

A. Ambulance Staffing. Contractor shall, at all times, staff each 9-1-1 response ambulance with two persons who are licensed and/or certified in the State of California and accredited in Santa Barbara County: one as an Emergency Medical Technician-Paramedic ("EMT-P"), and one Emergency Medical Technicians-One ("EMT-1") as those terms are defined in the California Health and Safety Code and the California Code of Regulations.

For the purposes of interfacility transports and/or non-emergency standbys the Contractor must staff an ambulance with a minimum of two personnel each with a minimum certification level of EMT-1.

SECTION 10.3 PROFIT is deleted and replaced in its entirety with:

- A. Annual Profit. Contractor and County agree that in the event that Contractor's profit, defined to be Contractor's annual pre-tax net revenue less direct expenses, general administration, and indirect expenses, exceeds eight percent (8%), the EMS Agency will implement a review of the ambulance rates. If the profit rate falls below six percent (6%) for any given three (3) month period, the Contractor has the right to submit to the EMS Agency cause for a financial review and provide all the appropriate financial documentation to petition for a rate increase. The EMS Agency will review said documentation and only at their approval will the petition for rate increase be forwarded to the Board of Supervisors.
- B. Excess Revenue. Contractor and County agree that in addition to the review of ambulance rates for any given year that Contractor's profit exceeds eight percent (8%) as defined above, that for the fiscal year immediately following the year in which the profit exceeded the percentage herein, Contractor shall abate the impact of the excess profit through increased investment in the services Contractor provides to the EMS system. For way of example, such abatement may include enhancements to improve the quality, efficiency and /or cost effectiveness of emergency

medical services, increased training, increased unit hours or administrative staff, or purchasing of new equipment for Contractor. Contractor shall submit a proposal for abatement, which shall include up to three alternatives, within 30 days after the County accepts the Audited Financial Report of Contractors' Santa Barbara operations to the EMS Agency with review and approval of one of Contractor's options by the Contract Compliance Committee.

SECTION 10.4 BILLING AND COLLECTIONS *subsections "A" and "B" are deleted and replaced in entirety with:*

- A. Rates. Approved rates beginning January 1, 2020 are located in Exhibit D as attached hereto and incorporated herein by reference. Contractor agrees to bill all transports and medical care.
- B. Rate Adjustment. Upon execution of this Fourth Amendment, and continuing throughout the term of this Agreement, the Contractor acknowledges that the County of Santa Barbara Board of Supervisors has the authority to determine rates for services provided under this Agreement and has exercised that authority by establishing the rates shown in Exhibit D. The rates in Exhibit D shall remain in force through January 31, 2020. Thereafter, the rates, as shown in Exhibit D, shall be subject to an annual increase on February 1 of each calendar year as shown below:
1. Annual Rate Adjustment: The rates specified in Exhibit D may be increased on February 1 each year to adjust for inflation. No later than forty-five (45) days prior to each adjustment date, the Contractor may request the EMS Agency to consider approval of a user fee adjustment. The percentage increase to adjust for inflation shall be calculated using the following indices:

The percentage increase in the average CPI of the following Consumer Price Index factors for All Urban General Consumers (CPI-U) and the Medical Care Services of the Commodities and Services Group of the Consumers Price Index for All Urban Users, Los Angeles, Long Beach and Anaheim counties index, as compiled and reported by the Bureau of Labor Statistic for the previous 12-month period last for which published figures are then available:

- 50 percent of the CPI — Medical Care Index
- 50 percent of the CPI — All Urban General Consumers (CPI-U)

Any rate adjustment made under this provision shall not exceed five percent (5%) and shall be approved in writing by the EMS Agency Director. Prior to implementation, the Board of Supervisors must approve any rate adjustment beyond those specified above for annual adjustment for inflation.

SECTION 10.6 COMPENSATION TO COUNTY *is deleted and replaced in entirety with:*

Compensation to the County will be adjusted each year based on the annual CPI to ambulance rates, as defined in Section 10.4 above, and implemented following the same timelines, which are anticipated to occur on February 1, as part of the annual rate increase based on the Contractor CPI percentage rate. These rate increases will only occur if the Contractor is granted a CPI increase. The increase in compensation shall be applied to the following services:

- A. Dispatch Services. Contractor will pay the County \$1,539,501.91 annually, adjusted for CPI as applicable, for emergency medical dispatch services. The Contractor will be responsible for paying the Public Safety Dispatch Center on time for each payment on a quarterly basis in April, July, October and January, in accordance with Exhibit H as attached hereto and incorporated herein by reference, of each year of the contract term, unless at the direction of the Board of Supervisors the compensation for EMS dispatch services is increased to meet the demands of an enhanced dispatch center. Ambulance rates may need to be increased with Board of Supervisors' approval to meet additional compensation requirements. A late payment charge of five (5) percent of any unpaid balance will be assessed for each 30-day period or part thereof, in which a payment is past

due. The County Sheriff's Department warrants that the foregoing amount is not greater than its actual costs of providing such services. The payments shall take effect January 1, 2020 and shall not be retroactive.

- B. EMS Radio and Communication System. Contractor will pay the County \$117,145.87 annually, adjusted for CPI as applicable, for maintenance of the EMS radio system (Med 1-10 channels) and EMS Agency 24/7 communication system. The Contractor will be responsible for paying the EMS Agency on time for each payment on a quarterly basis in April, July, October and January (Exhibit H) of each year of the contract term. It is the responsibility of the Contractor to begin payments date beginning, January 1, 2020. A late payment charge of five (5) percent of any unpaid balance will be assessed for each 30-day period or part thereof, in which a payment is past due.
- C. Oversight and Monitoring. Contractor will pay the County \$505,520.23 annually, adjusted for CPI as applicable, for EMS Agency program staff for services rendered to provide ongoing contract oversight and ensure Contractor and subcontractors provide quality medical care. The Contractor will be responsible for paying the EMS Agency on time for each payment on a quarterly basis in April, July, October and January in accordance with Exhibit H, of each year of the contract term. A late payment charge of five (5) percent of any unpaid balance will be assessed for each 30-day period or part thereof, in which a payment is past due. The payments shall take effect January 1, 2020 and shall not be retroactive.
- D. Subcontractor. CPI percentage rate increase shall be applied to Subcontractor first responder services as part of the subcontract. The Contractor will be responsible for paying the Subcontractor on time for each payment on a quarterly basis in April, July, October and January (Exhibit H) of each year of the contract term. It is the responsibility of the Contractor to begin payments date beginning, January 1, 2020. A late payment charge of five (5) percent of any unpaid balance will be assessed for each 30-day period or part thereof, in which a payment is past due.
- E. Technical Support. Contractor will pay County \$150,399.41 annually, adjusted for CPI as applicable, for technical support with the electronic patient care record (ePCR) system. Compensation includes support for, but not limited to, ePCR system administration, ePCR system enhancements and training, and ePCR System oversight.

EXHIBIT A – DEFINITIONS. *The following definitions are added to Exhibit A and incorporated herein:*

Basic Life Support (BLS) Ambulance. An ambulance that has at the minimum, one EMT-I and one EMT-I as defined in California Health and Safety Code section 1797.80 and equipment to provide BLS service to patients.

Interfacility transports (IFTs). IFTs are defined as requests for ambulance services that originate from a licensed health care facility for transportation of a patient or patients to another licensed health care facility.

Profit. Profit is defined to be Contractor's annual pre-tax net revenue less direct expenses, general administration, and indirect expenses.

Exhibit D, Santa Barbara County Rates *shall be replaced in its entirety* with Exhibit E, Santa Barbara County Rates, dated January 1, 2020, as attached hereto and incorporated herein by reference.

Exhibit E, Fire First Responder Subcontractor Compensation *shall be replaced in its entirety* with Exhibit E, Fire First Responder Subcontractor compensation, dated January 1, 2020, as attached hereto and incorporated herein by reference.

EXHIBIT H, Quarterly Payment Schedule shall be replaced in its entirety with EXHIBIT H, Quarterly Payment Schedule, dated January 1, 2020, as attached hereto and incorporated herein by reference.

3. **Ratifications**. The terms and provisions set forth in this Fourth Amendment shall modify and supersede all inconsistent terms and provisions set forth in the Agreement or Amendments. The terms and provisions of the Agreement, except as expressly modified and superseded by this Fourth Amendment, are ratified and confirmed and shall continue in full force and effect, and shall continue to be legal, valid, binding and enforceable obligations of the parties.
4. **Counterparts**. This Fourth Amendment may be executed in several counterparts, all of which taken together shall constitute a single agreement between the parties.

(Signatures on following pages.)

Fourth Amendment to Agreement for Services of Independent Contractor between the **County of Santa Barbara** and **American Medical Response West**.

IN WITNESS WHEREOF, the parties have executed this Fourth Amendment to be effective January 1, 2020.

ATTEST:

Mona Miyasato
County Executive Officer
Clerk of the Board

By: 
Deputy Clerk

COUNTY OF SANTA BARBARA:


Steve Lavagnino

By: 
Chair, Board of Supervisors

Date: 11-19-19

RECOMMENDED FOR APPROVAL:

Van Do-Reynoso, MPH, PhD
Director

By: 
Department Head

APPROVED AS TO FORM:

Risk Management

By: 
Risk Manager


APPROVED AS TO FORM:

Michael C. Ghizzoni
County Counsel

By: 
Deputy County Counsel

Date: _____
APPROVED AS TO ACCOUNTING FORM:

Betsy M. Schaffer, CPA
Auditor-Controller

By: 
Deputy

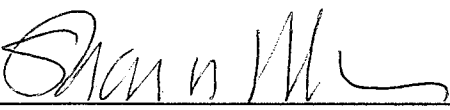
APPROVED AS TO FORM:

Nicholas Clay
EMS Agency

By: 
EMS Director

Fourth Amendment to Agreement for Services of Independent Contractor between the **County of Santa Barbara** and **American Medical Response West**.

IN WITNESS WHEREOF, the parties have executed this Fourth Amendment to be effective January 1, 2020.

By:  _____
Sharon Henry, Chief Operating Officer, West Region

Date: 11-6-2019

EXHIBIT D

SANTA BARBARA COUNTY RATES

January 1, 2020

New Rate effective for dates of services on or after January 1, 2020:

BLS Base Rate	\$1,907.39
ALS Base Rate	\$2,934.59
Oxygen	\$194.99
Mileage	\$57.34
Stand-By Rate (per hour)	\$295.45

EXHIBIT E

FIRE FIRST RESPONDER SUBCONTRACTOR COMPENSATION

January 1, 2020

Not to exceed \$1,244,674.83 (for meeting ALS First Response in Carpinteria-Summerland, Montecito, West Goleta/Ellwood, and Orcutt, as illustrated in EMS Zones 31, 32, 49, 50, 51, 53, 63, 64, 65, 66, & 67 and for EMS services support) and is subject to penalty assessment as identified in Section 4.1 of Agreement.

EXHIBIT H

ESTIMATED QUARTERLY PAYMENT SCHEDULE

January 1, 2020

AGENCY	ANNUAL SUPPORT¹	QUARTERLY PAYMENT²
Santa Barbara County EMS Agency	\$505,520.23	\$125,688.10
Santa Barbara EMS Communication System Support	\$117,145.87	\$29,126.12
Santa Barbara County Public Safety Dispatch Center	\$1,539,501.91	\$389,090.04
Subcontractor-Supplemental Fire Services Funding	\$1,244,674.83	\$309,464.99
Technical Support Contractor	\$150,399.41	\$38,377.50
TOTAL	\$3,557,242.25	\$891,746.75

NOTES	
1	Annual support to the EMS Agency, Santa Barbara EMS Communication Support, Subcontract-Supplemental Fire Services Funding and Technical Support Contractor, and Dispatch Center will be increased according to the CPI provisions detailed in the contract.
2	Quarterly payments for fire subcontractor are due on the last day of the new quarter: April 30, July 31, October 31 and January 31. Quarterly payments are subject to reduction by penalty levies described in Section 4.1. Quarterly payments for dispatch services are due on the first day of each quarter: April 1, July 1, October 1, and January 1.