EMS System Review & Ambulance Agreement

Presentation to Santa Barbara County Board of Supervisors

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Supported by Fitch & Associates

Santa Barbara County PUBLIC Health DEPARTMENT

COUNTY OF SANTA BARBARA EMS AGENCY

Recommended Actions

1. Receive and file findings from the Fitch & Associates Emergency Medical Services (EMS) System Review Phase 2 & 3 Report;
2. Approve and authorize the Public Health Department to:
   a. Negotiate and return to the Board for approval a new Professional Services Agreement with American Medical Response West (AMR) to continue providing emergency ambulance services and 9-1-1 emergency response in the same manner and scope; **OR**
   b. Begin the competitive process to select a Contractor to provide emergency ambulance services for Santa Barbara County and to redefine exclusive operating areas as may be necessary.

The EMS System Review Process

Phase 1

- ***Mar – Aug, 2018***
- Comprehensive Operational, Clinical and Fiscal review of EMS System
- Over 60 stakeholders
- Review risks/benefits of RFP and Renegotiation

Phase 2

- ***Apr – Aug, 2019***
- Identify critical themes
- Conduct focus group meetings
- Develop collaborative solutions to critical themes

Phase 3

- ***Apr – Aug, 2019***
- Develop implementation guidance
  - Timelines
  - Steps
  - Success Criteria
  - Milestones

Phase 1: Overview

Objectives

- Assess current EMS system to achieve
  - High levels of clinical proficiency
  - Operationally sound system
  - Fiscally responsible system
- Meet Triple Aim objectives
  - Enhance patient experience
  - Improve population health
  - Reduce costs

Process

- 13 facilitated stakeholder meetings with > 60 participants
  - LEMSA provided 10 questions to structure meetings
- Benchmarked against eight major EMS components
  - SWOT analysis reviewed Strengths, Weakness, Opportunities & Threats
- Identified positive & negative EMS System attributes

Phase 1: System Findings – Operational & Clinical

- Fire Agencies & AMR deliver good service
- Expanded Quality Improvement (QI) & clinical metrics support best practice
- Dispatch issues limit system advances
- Specialty Care Systems enhance patient survival
- Cardiac Arrest Care program provides:
  - Integrated training
  - Survival rate that is significantly greater than national average
- High utilization of system by mental health & substance use patients
  - Coordination for these patients is needed across all system providers

Phase 1: System Findings – Financials

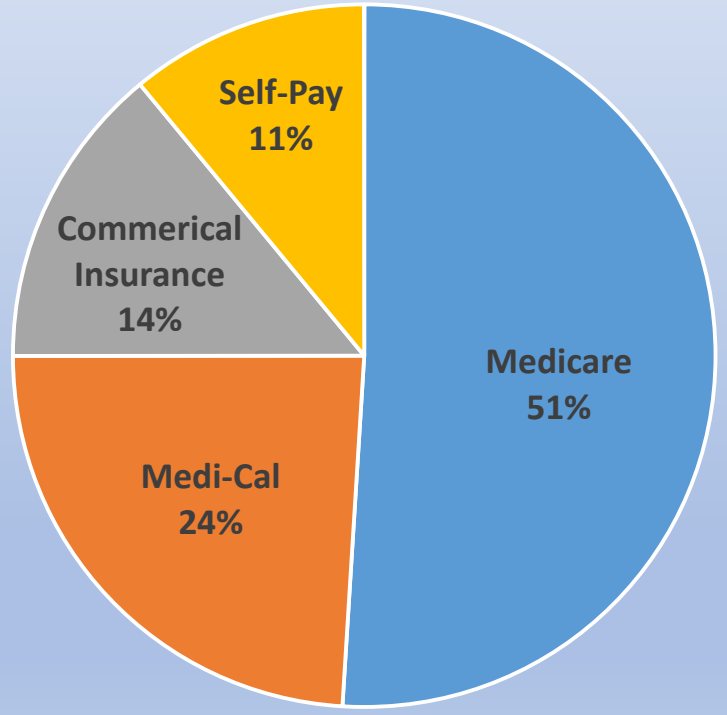
- EMS System Value: $19.8 MM
- AMR receives no subsidy from county. Reimburses $3.5 MM annually:
  - $1.2 MM to Fire Agencies
  - $1.5 MM to Dispatch
  - $754,000 to LEMSA & radio infrastructure
- Interfacility (non-emergency) transports support the 911 emergency system
- Sources:
  - AMR audited financials
    - Interfacility Transfers and 911 revenues/expenses
  - County Fire reports

Phase 1: System Findings – Fiscal Challenges

- Limited alternate revenue streams (GEMT, IGT and QAF)
- An EMS Review commissioned by the Fire Chiefs' Association suggests a higher system financial evaluation
  - Limited data utilized
  - AMR audited financials not used
  - Estimated payer mix
- Any projections and/or decision based on estimates vs actual data should be carefully analyzed
- No stable tax to support SBC's EMS System

Phase 1: System Findings – Payer Mix

Santa Barbara County Payer Mix, based on Ambulance Transports



Source: AMR Audited Financials & County Fire Financial Reports

Average Ambulance Reimbursement per Trip in California

Medicare: ~$426

Medi-Cal: ~$150

Commercial Insurance: ~$1,274

Self-Pay: ~$233

Average Ambulance Cost per Trip in California

$589

Source: California Ambulance Association, *California's Private Sector Ground Ambulances (2013)*

Phase 2: Overview

- Stakeholders prioritized issue areas from Phase 1
- Survey identified the 4 focus areas/goals as most important
- Meetings over 3 days; most of same agencies attended all
- Issues & suggestions to achieve the 4 goals were described
- Enhancements should be codified in any new agreement
- Some objectives can be achieved in current environment
- Others can be part of renegotiation or RFP process

Goals for System Improvement

1. Improve coordination/management of interfacility (IFT) system
2. Improve coordination/management of EMS for Mental Health Patients
3. Provide appropriate flexible access to treatment for aging and at risk patients
4. Improve quality metrics system-wide

Goal 1: Improve Interfacility System

1.1 Amend current response & transport regulations, agreement or RFP specs to allow for alternative staffing

1.2 Implement a system-wide IFT transport coordination center

1.3 Determine issues regarding surge capacity

1.4 Determine whether specialty transports need to be more available

Goal 2: Coordination of EMS for Mental Health Patients

2.1 Convene Task Force to revise EMS response protocols

2.2 Review feasibility of separate provider for long distance / long duration MH transports

2.3 Identify law enforcement's current role with MH patients

2.4 Expand use of "safety cars" for MH transports

2.5 Create single liaison between EMS and behavioral services

2.6 Consider staffing a Crisis Response Team

2.7 Evaluate feasibility of building a teen crisis center

Goal 3: Access for Aging/At Risk Patients

3.1 Develop mitigation plan to address needs of 50 most frequent system users

3.2 Consider Nurse Health line to triage low acuity 911 calls

3.3 Reduce use of EMS resources for lift assist at Long Term Care facilities

3.4 Set up working group to research alternative destinations & ET3 feasibility

3.5 Research existing community paramedicine programs in anticipation of enabling legislation

Goal 4: Improve Quality Metrics System-wide

4.1 Increase medical direction & Quality Improvement capabilities

4.2 Use outcome tools to guide metrics

4.3 Identify data sources for metrics for all responders

4.4 Set up working group including crews to identify safety issue metrics for 1st responders, transport personnel & patients

4.5 Select software platform for real-time metrics system-wide

4.6 Survey stakeholder groups to determine service perceptions

4.7 Increase community engagement/awareness of EMS performance metrics

Key Technology Investments Needed

- Current capability to analyze trends & individual provider performance – due to limited dispatch data
- Quality improvement/review software is needed to —
  - Review 100% of call takers, dispatchers, 1st responders & transport caregivers' actions for quality improvement
- Best practice requires ongoing, dedicated funding to facilitate purchase & implementation of advanced technology

LEMSA Review & Response to Initiatives

In Progress

- **1.3** Determine issues regarding system surge capacity.
- **2.1** Convene a multidisciplinary task force consisting of EMS, the Public Health Department, law enforcement, ambulance providers, receiving facilities and other interested stakeholders to revise the EMS system's response protocol for behavioral health patients.
- **2.5** Designate a single liaison point between EMS and behavioral services.
- **3.1** Identify and develop alternate treatment plans for the most frequent 50 users of the 911 system.

LEMSA Review & Response (cont'd)

In Progress

- **4.1** Increase EMS medical direction and quality improvement capability commensurate with EMS System scope to facilitate expanded metrics reporting.
- **4.2** Determine data sources for development of metrics regarding adherence to protocols for all responders in the system.
- **4.5** Select a software platform to share real-time metrics system-wide.
- **4.7** Increase community engagement/awareness of EMS performance metrics.

LEMSA Review & Response (cont'd)

Need Further Information

- **1.2** Implement an IFT transport coordination center to serve the entire system.
- **2.2** Determine the feasibility of awarding a separate agreement for longer distance/duration 5150 mental health transports.
- **2.4** Expand the use of "safety cars" and/or other vehicles for 5150 transports.

Not Pursuing …refer to other partners

- **2.6** Consider staffing a specialty crisis team to transport 5150 patients.
- **2.7** Designate/build and staff a teen crisis center.

LEMSA Review & Response (cont'd)

Pursuing

- **1.1** Amend current response and transport regulations, transport agreement or RFP specifications to allow for alternative staffing and vehicles in ensuring medical necessity, patient and crew safety.
- **1.4** Determine whether CCT and specialty transports need to be more available to the system.
- **2.3** Determine law enforcement's current role in transporting 5150 patients.
- **3.2** Consider implementation of a Nurse Health Phone Line to receive from 911, the low acuity "Omega" calls that are deemed appropriate to further triage.
- **3.3** Reduce utilization of EMS Transport services to perform "lift assists" at long term and other care facilities.

LEMSA Review & Response (cont'd)

Pursuing

- **3.4** Designate working group to research existing alternative destination plans and ET3 feasibility.
- **3.5** Research existing community paramedicine programs and review with system stakeholders in anticipation of enabling legislation.
- **4.2** Using GAMUT and/or other clinical outcome tools as a guide to determine applicable metrics to be measured.
- **4.4** Convene working group to include crew representatives, to complete recommendations regarding specific metrics to be measured or safety issues for patients, first responders and transport personnel.
- **4.6** Survey, using an independent entity, various stakeholder groups to determine service perceptions and facilitate benchmarking.

Future Uncertainties in EMS

- Medicare & others are moving away from transporting all 911 patients
  - Alternative destinations and/or treatment at scene or home (newly introduced Medicare initiative, ET3)
  - Response agencies will need to reconfigure personnel & vehicles, & provide enhanced dispatch triage; will be fewer transports
  - New payment models are not yet confirmed
- Systems with sophisticated dispatch & regional partners will benefit the most
- Emphasis on patient outcomes; not response times

EMS Issues Specific to California

- Fewer clear guidelines for acceptable system designs due to recent litigation & State EMS Authority actions
- Kern, Orange, Contra Costa, Alameda and Monterey have experienced challenges with new system designs/RFPs
- State EMSA will lead efforts to adjust systems to allow for
  - Community Paramedic Programs
  - Integrated Community Health Programs
  - Emergency Communications Nurse Programs
- Legislative efforts (SB-438, AB-1544) & others are pending

Ambulance Agreement: Either Pathway

- Should prioritize clinical outcomes over response times
- Should provide flexibility to respond with units & staffing most appropriate to call & patient needs
- Provide additional clinical personnel for system Medical Director
- Continue to support fire agencies & system improvements
- Support ongoing effort by all partners to address/solve challenges of vulnerable populations

Option: *Renegotiation*

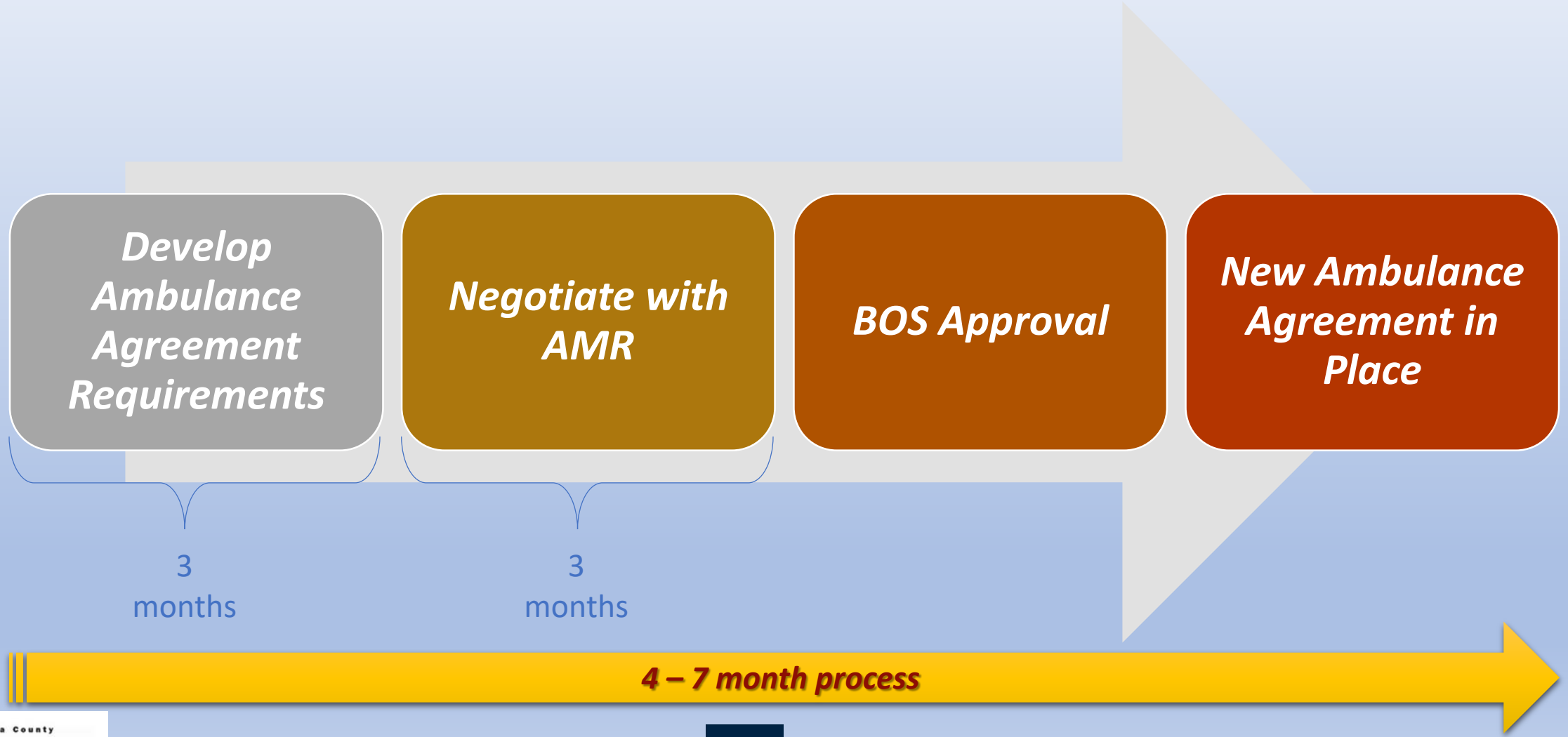
Benefits

- Reimbursement to fire agencies is established
- Workforce & relationships are in place
- Less involvement from State EMS Authority
- Flexibility to adjust ambulance agreement as EMS & healthcare evolve

Risks

- Scope and manner to be considered
- Achieving local fire agencies desire for a stronger position, while maintaining scope and manner

Renegotiation: Process & Timeline



Option: *RFP*

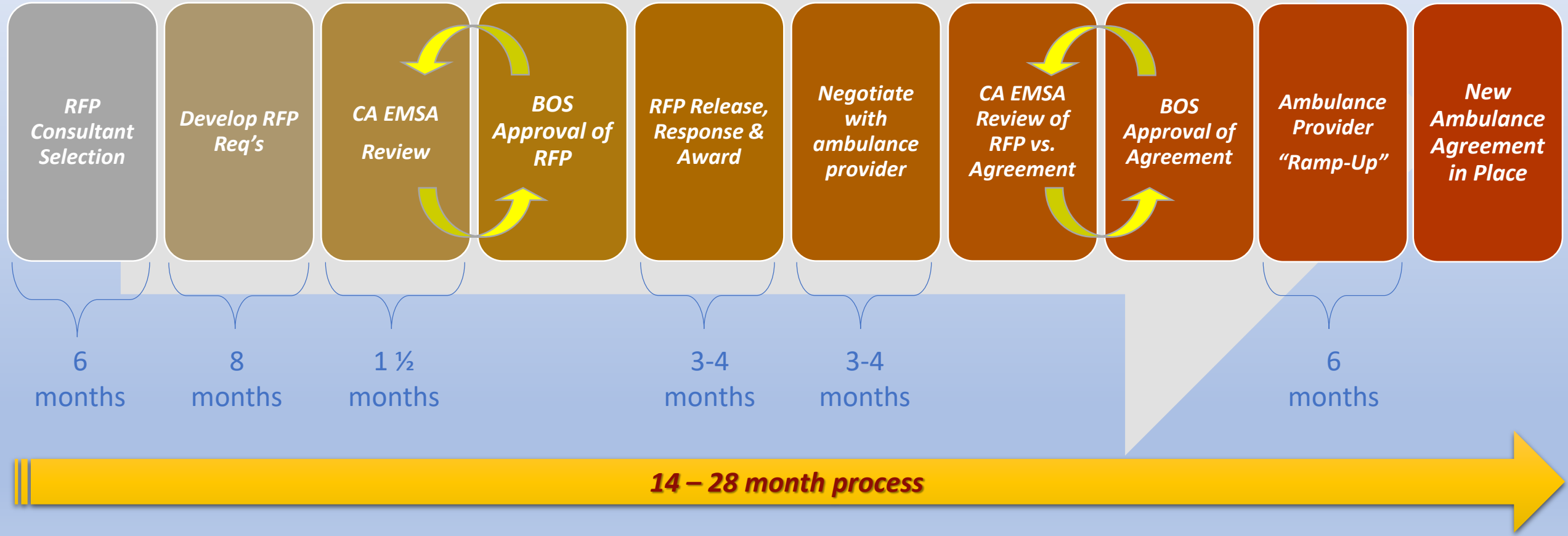
Benefits

- Allows for complete system redesign, if desired
- Allows redefining of EMS geographical boundaries
- Allows for competition in the marketplace

Risks

- Potential bidders (AMR and Fire) involvement in RFP design must be limited
- More involvement of CA EMSA
- Single bidder potential & has resulted in bids that are unacceptable
- Longer time to complete successful & competitive process
- New RFP process required to make future changes in ambulance agreement

RFP: Timeline & Process



CA Ambulance RFP Survey

- 16 LEMSA initiated RFPs across the State were reviewed
- Three recent RFPs were cancelled with no selection
- Review of timelines and mean intervals from RFP Survey
  - RFP Decision/Initiation to Ambulance agreement Start: *28 months*
  - RFP Consultant Selection period: *6 months*
- Average cost: *$151,881*
- CA EMS Authority required changes to *94%* of the RFPs
  - Mean turn around time for review was *1.6 months*
- *83%* of RFPs were awarded to the incumbent provider
- *64%* of RFPs resulted in higher ambulance rates

**At least 18 LEMSA's in California still have "grandfathered' ambulance providers*

History of Innovation through Negotiation

Since 1980:

- The agreements have continued to advance the EMS System
  - Performance base agreement established
  - Ambulance deployment & staffing requirements developed
  - Financial subsidy reversed from County to AMR, to AMR to County
- Other system advancements as a result of negotiation
  - STEMI System: Advanced cardiac monitor purchase
  - Dispatch: CAD purchase and enhancements

History of Clinical Excellence through Negotiation

- System performance through long-term partnership with AMR
- Continuously advancing the clinical components of the system
- The current County EMS System
  - Integrated roles of dispatch, fire departments, ambulance service, hospitals
  - High-performing and achieves successful clinical outcomes
  - Systems of care with recognized excellence
    - Cardiac Arrest Management process and results published in medical journals and presented worldwide
    - STEMI system has received AHA's highest award level for 4 years
    - Trauma system a top performer in national trauma data bank
  - Has proven to be nimble and responsive when required

Considerations for a New Ambulance Provider

- Ambulance transport billing, typically has a 6-12 month lag time to receive payment
- New provider will need to expend capital (ambulances and equipment)
  - These costs will likely be recuperated through increased ambulance rate
- Ambulances are typically made to order, can have very long lead time
  - 6 – 9 months
  - Cost $90,000 - $190,000
- All start up costs, operating costs, and system subsidies need to be recouped

Last thoughts…

- Renegotiation allows innovation, and provides the opportunity to negotiate the agreement if changes are needed
- RFP allows for initial innovation, however if future changes are needed in the agreement, a new RFP is required
- Renegotiation has proven to deliver EMS System innovation over the last 40 years
- Renegotiation will maintain the high level of clinical service being offered today, while keeping the cost at its lowest
- While enhanced service has been mentioned as a benefit to RFP, neither the LEMSA or FITCH have been provided data for evaluation
- While additional revenues have mentioned as a benefit to RFP, neither the LEMSA or FITCH have been provided data for evaluation

Staff Recommendation: **Renegotiate**

- RFP is a costly process to the county and bidders
  - Seeking additional revenue via RFP could cost the County and patients more
- RFP is restrictive
  - Local providers prohibited from design
  - CA EMSA approval and involvement at multiple steps in process
  - Required to RFP at routine intervals, or if future agreement changes needed
- RFP is not required to enhance the EMS system
  - All 23 EMS System Solution Initiatives can be implemented without an RFP

Questions?