



A Tradition of Stewardship
A Commitment to Service

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NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

TO: Board of Supervisors
FROM: Shelli Brobst for Randolph F. Snowden - Director
Health & Human Services
REPORT BY: Shelli Brobst, Contracts Analyst - 253-4720
SUBJECT: Emergency Ambulance Selection Process

RECOMMENDATION

Director of Health and Human Services to provide a status report and requests possible direction to staff on the ambulance franchise process and development of a revised request for proposals for emergency ambulance services.

EXECUTIVE SUMMARY

State law requires that Napa County conduct a competitive process to select the franchisee to provide emergency ambulance services in the County. The process was formally initiated by the issuance of a "Request for Proposals" (RFP) in March, 2010. Three proposals were submitted in response to the RFP. On August 17, 2010, the Board of Supervisors rejected the three proposals and withdrew the RFP on the grounds that none of the proposals fulfilled the policy goals of the RFP: to control the cost of emergency ambulance services and to improve the performance, quality and safety of the local emergency medical services system. The Board directed that a new RFP be prepared to better effectuate those goals. The Director of the Health and Human Services Agency (HHSA) will update the Board on progress on planning for the new RFP and receive any direction the Board wishes to provide.

FISCAL IMPACT

Is there a Fiscal Impact? No

ENVIRONMENTAL IMPACT

ENVIRONMENTAL DETERMINATION: The proposed action is not a project as defined by 14 California Code of Regulations 15378 (State CEQA Guidelines) and therefore CEQA is not applicable.

BACKGROUND AND DISCUSSION

Health and Safety Code Section 1797.200 grants authority to counties to develop emergency medical services (EMS) programs. Section 1797.224 authorizes the designation of "Exclusive Operating Areas" (EOAs). Within an EOA, ambulance service provision can be restricted to one or more providers of emergency ambulance services and Advanced Life Support (ALS) services. Piner's Napa Ambulance currently holds exclusive emergency ambulance franchise agreements for the two EOAs currently designated in Napa County. These agreements are due to expire on February 28, 2011.

Section 1797.224 requires that the County utilize a competitive process to select the provider or providers of services pursuant to the County's state-approved EMS plan. This process is generally referred to as an "ambulance franchise process." County Counsel has advised that, while there are some exceptions to this rule, none apply to our franchise process in Napa County – the County is absolutely required to select an emergency ambulance franchisee through a fair, open and objective competitive bidding process.

On March 2, 2010, the Health and Human Services Agency (HHSA) released a "Request for Proposals" (RFP) for the award of the next ambulance franchise. The RFP was designed to further two overarching policy goals: (1) to control the cost of emergency ambulance services and (2) to improve the performance, quality and safety of the local emergency medical services system.

Three ambulance companies submitted proposals in response to the RFP. The proposals were then rated by a panel of disinterested EMS experts. The results of this rating were then forwarded to the Director of HHSA.

In a memorandum to the Board dated August 11, 2010, the HHSA Director recommended the rejection of all three proposals on the grounds that none fulfilled the dual policy goals underlying the RFP. The Board accepted this recommendation, rejecting the bids and directing that the RFP be withdrawn and a new one prepared.

HHSA staff members are now returning to update the Board on the planning process for the new RFP, to provide the Board with their recommendations regarding the new RFP and to receive any direction the Board determines to provide. The following discussion sets forth progress and recommendations for the following:

1. Affirming the overall policy goals to be achieved through the selection process;
2. Specifying more specific policy objectives to be pursued through the RFP process, including distinct areas of system performance in need of improvement;
3. A general framework for the new RFP;
4. The timeline on which the new RFP will be carried out; and
5. The plan for public input and participation.

Overall Policy Goals:

The selection process should:

- | be objective, fair and thorough;
- | comport with applicable law; and
- | lead to the selection of the ambulance service provider offering County residents the best combination of

service delivery, quality and value by achieving essential improvements to the EMS system and controlling the cost of ambulance services.

Policy Objectives:

During the eighteen-month period preceding the issuance of the first RFP, HHSa conducted a structured, community-based process to receive input from the public, stakeholders in the local EMS system, and other interested parties regarding the strengths and shortcomings of the County's existing EMS system. Referred to as a "Visioning Process," this series of forums and meetings resulted in several different initiatives to strengthen the system. Some of these were to be effectuated by the provisions of the RFP, but some important measures have been addressed through separate actions. The most significant of these are:

- I The development and enactment of a County Ambulance Ordinance to provide appropriate oversight and coordination of basic life support (BLS) and critical care transport (CCT) ambulance services. The ordinance requires providers to obtain permits, cooperate with ambulance inspections and report essential data to the County.
- I The re-evaluation of the relationship and role of the County's local emergency medical services agency (LEMSA), which resulted in the decision to shift the LEMSAs responsibilities to the Napa County Health and Human Services Agency from the current three county regional agency. This will become effective on July 1, 2011.

In addition, the Visioning Process provided valuable information for designing the RFP because it revealed a number of areas where the County's current EMS system is not achieving appropriate performance levels, is not engendering an adequate level of transparency or accountability, and is not achieving the level of integration among the various system participants typical of a modern EMS system.

It is recommended that the new RFP be designed to address these system weaknesses.

Identifying these areas for system improvement is not necessarily a criticism of the current ambulance provider or any other participant in the EMS system. Some of the areas of needed improvement result from the evolution of the community standard of care since the franchise was last reissued a decade ago. Others are service improvements that may be difficult to justify in the operation of a for-profit business. The recurring competitive franchise process is the vehicle for ensuring that system performance standards are periodically raised to the levels necessary to meet the needs of the public.

Specifically, the EMS system areas of concern that should be addressed and corrected in the RFP process include:

1. More than one Exclusive Operating Area (EOA). Prior to the recent submission of a new County EMS Plan to the State and until the conclusion of the current RFP process, the City of Napa is not included in the EOA. This prevents any enforcement of response time performance, reporting requirements or other appropriate oversight of the 911 responses within the City. State law reserves this oversight authority to the County as the Local Emergency Medical Services Agency, so if the City is not brought into an EOA, the services will remain without this oversight. Inclusion also allows for better oversight and integration of a County-wide system.
2. Limited Access to Advanced Life Support (ALS). Large areas of the County do not have adequate access to ALS services. Patients in the Angwin and Lake Berryessa regions do not have adequate access to ALS care. Those patients must rely on basic life support (BLS) response or receive ALS from units responding from significant distances or through expensive air medical response. It is unrealistic to expect similar EMS response time performance in rural and remote areas of the County but, once responders arrive, they should be able to treat all patients, including those requiring advanced level skills.

3. *System Unreliability*. One of the key expectations of an EMS system is reliable response times. The current system does not provide reliable response times throughout the County and has a higher frequency of “outlier” response times than should be the case in a county the size of Napa. (A response is referred to as an “outlier” when it takes at least twice as long for an ambulance to arrive as the expected standard.) There have also been instances when an ambulance failed to respond to an emergency call. The Visioning Process also revealed other issues such as overuse of mutual aid and instances where no ambulances were in position to respond quickly to emergency requests.
4. *Inadequate Information*. There are a number of areas where the Napa County EMS System is unable to monitor and document activities. For example, it is impossible to adequately determine the geographic location of EMS incidents to develop appropriate response plans. The dispatch center information cannot be reconciled with the ambulance transport records, and there is no independent documentation or validation of key data, including response times. The RFP should incorporate reporting, dispatch and performance monitoring provisions to ensure the County will receive appropriate information to assist in optimizing the system to achieve appropriate performance levels.
5. *Multi-step Dispatch Process*. The current system includes multiple steps that occur prior to the dispatch of an ambulance crew. The RFP should require a shortening of the dispatch process. Wherever possible, it should encourage the elimination of steps or activities that increase the risk of errors in dispatch and response. The objective is to shorten the time it takes to dispatch an ambulance and minimize the opportunity for miscommunication and mistakes.
6. *Fragmented System*. Any local EMS system requires the coordination of multiple agencies to achieve the best results for the patients. The stakeholders in the system include law enforcement, fire agencies, training institutions, hospitals, oversight agencies, air medical services and the emergency ambulance service. In Napa County, these agencies currently operate somewhat independently rather than in a closely coordinated manner. Integration and collaboration among system participants is paramount in achieving the desired performance levels and consequently meeting reasonable community expectations.
7. *Multi-tiered and Unapproved Pricing*. Current users of 911 ambulance services in Napa County are subject to inconsistent pricing levels depending upon a patient’s location. There are different rates within the City of Napa and the rest of the County. While there is a rate approval process defined in the current agreement, local rates have periodically increased without notice to the County or County approval under the franchise.

EMS has evolved considerably over the last ten years and will doubtless continue to change during the life of the new contract. The RFP and the resulting agreement should therefore incorporate flexibility to ensure that the County can take advantage of advancements, including new clinical protocols and innovations in staging, dispatch, and administrative practices that have been shown to reduce the average response time for ambulances.

The Procurement Process:

In line with the Board’s direction at its meeting on August 17, HHSA proposes to simplify the new RFP by reducing the number of performance standards that are to be the subject of competitive bidding and increasing the number of performance standards that are simply required to be met.

We recommend that the RFP and the resulting evaluation process be redesigned to more clearly distinguish between required performance standards and performance criteria where there will be opportunity for proposer innovation to improve the EMS system and differentiate the bidders. The RFP must ensure that the system will achieve:

1. Appropriate levels of accountability through comprehensive data collection and monitoring;
2. Transparency with consistent reporting and action to address low-performing activities;
3. Reliability in providing prompt response and quality care;
4. Consequences for non-compliance;
5. Provisions to protect the County from contractor failure; and
6. Fair, reasonable and uniform pricing for emergency ambulance services throughout Napa County.

It is recommended that the following core requirements be stipulated in the RFP and not subject to negotiation or variances:

- | Single Countywide Exclusive Operating Area;
- | Industry standard, countywide response time performance standards based on call acuity and call density;
- | Continuation of Angwin financial support;
- | Integration with Napa Central for dispatch;
- | Integration with and training of First Responders;
- | Per call EMS contract monitoring fees and annual franchise fee;
- | Establish requirements for personnel training and certification;
- | Protection of employment for persons currently employed in the emergency ambulance system;
- | Defined countywide fee structure and fee increase limitations;
- | County safety net provisions including performance bond and emergency takeover provisions;
- | Comprehensive documentation and reporting provisions; and
- | Collaboration with the County EMS Agency.

It is recommended that additional performance expectations for the ambulance provider be addressed through competitive responses, rather than flat requirement. The reasons for this include:

1. State law requires that the selection process be competitive;
2. The public will benefit if the RFP encourages proposers to use their knowledge, experience and creativity to develop strategies for achieving service safety and quality; and
3. If competition is based solely on cost, it will limit the ability of the franchise to address necessary system improvements or to anticipate future developments in the area of safety and quality.

It is recommended that the competitive criteria include:

- | Programs and services offered to the community for prevention, awareness and public education;
- | Structured quality improvement activities to improve outcomes and system performance;
- | Collaboration with first responders to enhance capabilities and coordination in a cost-effective manner;
- | Incorporation of processes and systems to shorten dispatch times and improve dispatch performance;
- | Initiatives to enhance countywide cooperation and integration of system stakeholders;
- | Strategies to increase ALS coverage in underserved areas;
- | Opportunities for employees for training and career advancement; and
- | Leadership team and leadership training opportunities.

For criteria calling for collaboration with other stakeholders in the EMS system, the RFP should allow the proposer to describe the proposed collaboration and a statement of willingness to enter into the collaboration through an appropriate means, such as a memorandum of understanding. However, it should not be required that commitments from these other stakeholders be obtained prior to the submission of proposals.

This will avoid the perception that the strength of a proposal could be affected by the stated willingness of a stakeholder to enter into collaboration with a specific proposer. This is not an exhaustive list, but is intended to provide a framework for the delineation of items to be required and items to be evaluated and scored in the procurement process.

Timeline:

The recommended timeline for a new RFP is attached. While it is aggressive, there should be adequate intervals

to ensure a competitive and comprehensive procurement process. In light of the delay occasioned by the first RFP and the need for State approval of delays in the granting of a new franchise agreement after the expiration of the current franchises, it is recommended that the new RFP be prosecuted as expeditiously as possible. The proposed timeline will require a nine- month extension of the existing ambulance franchise agreements.

Plan for Public Input and Participation

HHSA has worked closely with the County Public Information Officer in her development of a plan for public input and participation in the development of a new RFP.

As with the initial RFP process, it is proposed that the new process include multiple opportunities for, and methods of, public input and participation. Although general public input into the first RFP was sparse, heightened community awareness and interest in the new RFP should result in a more robust level of public participation.

The public input and participation plan deals specifically with the general Napa County audience (residents), engaged residents (those who have already expressed an interest in the process), media, elected officials and County employees.

Other audiences, such as first responders, EMS system members and potential bidders, will be engaged through informational meetings and bidders conferences in the same manner as during the initial RFP process.

The goals of the public input and participation process are to:

1. Ensure that community concerns and interests are adequately considered before the new RFP is approved by the Board of Supervisors, and
2. Educate the various audiences on the EMS system in general, on the role of the ambulance franchisee, and on the legal and operational realities of the RFP process.

The objectives of the process are to:

- | Apprise and solicit input from the existing Emergency Medical Care Committee (EMCC), which includes representatives from all aspects of the EMS system and at-large community members appointed by the Board of Supervisors, regarding the implementation of the public input and participation plan;
- | Ensure that County residents are afforded ample opportunity to offer comments on the new RFP while it is being drafted;
- | Ensure that interested parties, elected officials and the media have access to documents and announcements related to the RFP process, and reasonable notification of deadlines and meeting dates;
- | Involve the greater EMS community in education efforts, wherever possible; and
- | Ensure County employees know where to get information about the process.

The audiences to be targeted by the plan include:

- | County residents;
- | Engaged visitors;
- | Media;
- | Elected officials; and
- | County employees.

The primary methods of reaching these audiences will be:

- I Face-to-Face
 - i Community forums (3);
 - i City Council presentations (at least one in each municipality); and
 - i Monthly reports to the Board of Supervisors during regular open meetings
- I Electronic
 - i Dedicated e-mail address and phone number at the County to take comment and offer information;
 - i Dedicated page on County Web site and Chardonnay (intranet) with link to e-mail EMS;
 - i E-mail subscription to updates on Web page (ie., subscriber receives e-mail notification and a link when content on page is updated); and
 - i Facebook page to alert users to changes on Web page.
- I Other Media
 - i Media alerts when content is updated on Web page;
 - i News stories at appropriate milestones in process;
 - i Feature story submissions to local media to educate readers on EMS system; and
 - i Offers of interviews with local radio station at appropriate milestones in process.

The proposed plan for public input and participation can be summarized as follows:

Methods	Responsible party	Timing/Status
Community forms (3)	Public Health/EMS	September-currently being scheduled
City Council presentations	Public Health/EMS	September-October as Council schedules allow
Monthly reports to Board of Supervisors during regular open meetings	Public Health/EMS	Ongoing
Reports to EMCC on public input and participation	Public Health/EMS	Ongoing
Dedicated e-mail address and phone number at County to take comment and offer information	Public Health/EMS	Completed. E-mail address is ems@countyofnapa.org Phone is (707) 259-8667
E-mail subscription to updates on Web page (e.g., subscriber receives e-mail notification and a link when content on page is updated)	IT	Complete
Facebook page to alert users to changes on Web page	PIO	Will be established following Board approval
Media alerts when content is updated on Web page	PIO	As needed
News stories at appropriate milestones in process	PIO/Public Health/EMS	TBD
Feature story pitches to local media to educate readers on EMS system	PIO/Public Health/EMS	TBD

Interviews with local radio station at appropriate milestones in process	PIO/Public Health/EMS	TBD
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Conclusion:

Because of the importance and sensitivity of ambulance services to the community, the high level of public interest in the ambulance franchise selection process and the large economic value of the franchise itself, it is unlikely that any RFP strategy will be able to eliminate every concern and potential disagreement relating to the selection process. The foregoing framework is intended to minimize these concerns by providing a general framework for the development of a new RFP that ensures the public has a clear avenue for receiving information about it and providing input to inform it.

SUPPORTING DOCUMENTS

A . RFP II Timeline

CEO Recommendation: Approve

Reviewed By: Molly Rattigan