

COUNTY OF SANTA CRUZ
REQUEST FOR APPROVAL OF AGREEMENT

TO, Board of Supervisors
County Administrative Office
Auditor Controller
FROM: Health Services Agency (Department)
BY: [Signature] (Signature) 3/09 (Date)

AGREEMENT TYPE (Check One) Expenditure Agreement [X] Revenue Agreement [ ]

The Board of Supervisors is hereby requested to approve the attached agreement and authorize the execution of same.

1. Said agreement is between the Health Services Agency - Public Health (Department/Agency)
and AMR West, 116 Hubbard St., Santa Cruz, CA 95060 (Name/Address)

2. The agreement will provide excess ambulance revenue trust funds to offset increase cost of dispatch fees

3. Period of the agreement is from September 1, 2003 to December 31, 2013 (new)

4. Anticipated Cost is \$ na [ ] Fixed [ ] Monthly Rate [ ] Annual Rate [ ] Not to Exceed

Remarks: no encumbrance change is needed

5. Detail: [ ] On Continuing Agreements List for FY 08 - 09 Page CC- 8 Contract, No: 0127 OR [ ] 1st Time Agreement
[ ] Section II No Board letter required, will be listed under Item 8
[X] Section III Board letter required
[ ] Section IV Revenue Agreement

6. Appropriations/Revenues are available and are budgeted in 362010 (Index) 3651 (Sub object)

NOTE: IF APPROPRIATIONS ARE INSUFFICIENT, ATTACHED COMPLETED AUD-74 OR AUD-60

Appropriations are available and have been encumbered.
are not available and will be encumbered.
Contract No: CT80127-01
By: [Signature] Auditor-Controller Deputy Date: 1/14/09

Proposal and accounting detail reviewed and approved. It is recommended that the Board of Supervisors approve the agreement and authorize Health Services Agency Director (Dept/Agency Head) to execute on behalf of the

Health Services Agency (Department/Agency)
Date: 1/15/09 By: [Signature] County Administrative Office

Distribution: Board of Supervisors - White State of California
Auditor Controller - Canary County of Santa Cruz
Auditor-Controller - Pink I ex-officio Clerk of the Board of Supervisors of the County of Santa Cruz,
Department - Gold State of California, do hereby certify that the foregoing request for approval of agreement was approved by said Board of Supervisors as recommended by the County Administrative Office by an order duly entered in the minutes of said Board on 20
ADM - 29 (8101) Title I, Section 300 Proc Man By: Deputy Clerk

AUDITOR-CONTROLLER USE ONLY
Table with columns: CO, Document No., JE Amount, Lines, H/TL, Keyed By, Date, TC110, Auditor Description, Amount, Index, Sub object, User Code

**AMENDMENT No. A-02 TO AGREEMENT**

Effective January 31, 2009, the parties hereto agree to amend that certain Emergency Ambulance Transport Services Provider Agreement that went into effect on September 1, 2003, and was subsequently amended on January 1, 2006 and December 16, 2008, (collectively "Agreement"), by and between the COUNTY OF SANTA CRUZ ("County") and AMERICAN RESPONSE MEDICAL WEST ("Contractor") by the following:

1. **SECTION 1 - Administration of the Contract and Terms**

1.2. **Term of Contract:** Extend termination date to December 31, 2013.

2. **SECTION 4 - Operations**

4.3. **Equipment and Supplies:** Add to Paragraph E the following new statement:

E. Vehicle Maintenance Program

Contractor shall remove emergency response vehicles from primary service under this Agreement at 200,000 miles and will remove emergency response vehicles completely from service under this Agreement at 250,000 miles. Contractor will replace one-third of the current vehicles each calendar year that exceed the mileage limitation (one-third January 1, 2009 – December 31, 2009, one-third January 1, 2010 to December, 31, 2010 and the final one-third January 1, 2011 to December 31, 2011). This requirement will be fully implemented by December 31, 2011.

3. **SECTION 10 – Fiscal Requirements**

10.2 **Billing and Collections:** Delete existing Paragraphs A and B in their entirety and replace with the following:

A. The current approved rates are located in Exhibit F. As set forth below, these rates will be increased January 1, 2009.

1. The Contractor shall charge the County approved ALS Base Rate set forth in Exhibit F. Since the County has mandated that the Contractor respond at the ALS level to all calls, the Contractor shall bill the ALS Base Rate set forth in Exhibit F except where prohibited by law, e.g., Medicare or Medicaid.

B. Rate Increases.

1. Regular and Ordinary Annual Rate Increase for ALS Base Rate: On an annual basis, effective January 1, 2009 and until the termination of this Agreement, the Santa Cruz County ALS Base Rate in Exhibit F shall increase by as set forth in this Section 10.2.B.1. The rate increase request is due to the County EMS Administrator November 1<sup>st</sup> who will consider the request and approve for implementation the

following January 1<sup>st</sup> if all requirements are met. In order to transition to this methodology, Contractor will submit the first rate request by December 15, 2008, to be implemented upon approval, and the second and subsequent requests will be submitted by November 1<sup>st</sup> of each year. The ALS Base Rate increase shall be the greater of the following percentages:

- a. 3% divided by Santa Cruz's average collection rate from the current year.
  - b. Percentage calculated from the following Consumer Price Index (CPI) factors divided by Santa Cruz's average collection rate from the current year. Department of Labor, Bureau of Labor Statistics CPI as of the previous twelve month period for which published figures are then available for San Francisco-Oakland-San Jose:
    - (i) 85% of the Medical Care CPI;
    - (ii) 2% of the Transportation CPI; and
    - (iii) 13% of All Items CPI.
2. Extraordinary Rate Increase for ALS Base Rate: The County Board of Supervisors may approve an extraordinary increase to the ALS Base Rate in the Santa Cruz County Rates (Exhibit F) if determined to be reasonable for any of the following reasons:
- a. The Contractor demonstrates actual or reasonably projected, substantial financial hardship as a result of factors beyond its reasonable control, provided that the County will have the right to review and/or audit any books, medical billing accounts, medical records, productivity reports or financial records of the Contractor as it deems necessary to verify such hardship.
  - b. Changes in governmental third party payor programs that result in significant reduction in revenues for services rendered.
  - c. Mid-cycle rate adjustments to the ALS Base Rate will be allowed for decreases in revenue due to the Centers for Medicare and Medicaid Services Medicare prescribed decrease in reimbursements in 2010. The Health Services Agency Director may approve mid-cycle Medicare Rate Adjustment of up to: \$47.61 on January 1, 2010.
  - d. Prior to requesting any increase as permitted in Section 10.2.B.2 Contractor shall provide sixty days' notice of the intent to request an increase to the Contract Administrator, shall provide all documentation as may be reasonably requested by Contract Administrator, and shall meet and confer with the Contract Administrator on such proposed request.
3. Rate Increases For All Other Rates: On a case by case basis and until the termination of this Agreement, increases to all rates (except

for the ALS Base Rate) contained within Santa Cruz County Rates Exhibit F shall be approved by the Santa Cruz County EMS Agency.

4. Other: If Contractor's prior year financial report shows excess revenues in excess of 10% of costs, the Board of Supervisors must approve all rate increases. In addition, Board of Supervisors will approve all rate adjustments for hardship. If Medicare changes Santa Cruz County rate setting and moves Santa Cruz out of locality 99, the rate system will be re-evaluated based on new revenue projections.
5. Review of Collection Rate: Quarterly Contractor and County will review Contractor's uncollectibles to identify opportunities for increasing collections such as cross-referencing publicly benefited databases in order to ensure the optimal collection rate.

**10.4 Reporting Responsibilities:** Paragraph A, first line - Delete "June" and replace with "October". Paragraph E, first line - Delete "April" and replace with "May".

4. **EXHIBIT H – Fiscal Timelines.** Extend Year End Financial Report due date to May 1<sup>st</sup>.
5. **Regulatory Language:** To the extent not already included in the Agreement, the parties add the following provisions:
  - a. Compliance. The parties will comply in all material respects with all applicable federal and state laws and regulations including, the federal Anti-kickback statute.
  - b. Compliance Program and Code of Conduct. Contractor has made available to each party a copy of its Code of Conduct, Anti-kickback policies and other compliance policies, as may be changed from time-to-time, at Contractor's web site, located at: [www.amr.net](http://www.amr.net), and each party acknowledges receipt of such documents. Contractor warrants that its personnel shall comply with Contractor's compliance policies, including training related to the Anti-kickback Statute.
  - c. Non-Exclusion. Each party represents and certifies that neither it nor any practitioner who orders or provide Services on its behalf hereunder has been convicted of any conduct that constitutes grounds for mandatory exclusion as identified in 42 U.S.C. § 1320a-7(a). Each party further represents and certifies that it is not ineligible to participate in Federal health care programs or in any other state or federal government payment program. Each party agrees that if DHHS/OIG excludes it, or any of its practitioners or employees who order or provide Services, from participation in Federal health care programs, the party must notify the other party within five (5) days of knowledge of such fact, and the other party may immediately terminate this Agreement, unless the excluded party is a practitioner or employee who immediately discontinues ordering or providing Services hereunder.
  - d. Referrals. It is not the intent of either party that any remuneration, benefit or privilege provided for under the Agreement shall influence or in any way be based on the referral or recommended referral by either party of patients to the other party or its affiliated providers, if any, or the purchasing, leasing or ordering of any services other than the specific services described in this Agreement.

Any payments specified herein are consistent with what the parties reasonably believe to be a fair market value for the services provided.

**6. All Other Terms:** All other provisions of said Agreement shall remain in full force and effect.

**IN WITNESS WHEREOF**, the parties have hereto executed this Amendment No. A-02 To Agreement.

CONTRACTOR:

By:

Print Name & Title: Ramon Garcia  
~~President~~ President

COUNTY:

By: \_\_\_\_\_

Print Name & Title: Ramon Garcia Health Services Director

COUNTY COUNSEL APPROVED,  FORM:

By:

Print Name & Title: Rahn Garcia, Chief Assistant

Approved as to form:

By:

Print Name & Title: Leslie Scanagatta  
Risk Analyst  
Risk Management, Santa Cruz County



# County of Santa Cruz

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## HEALTH SERVICES AGENCY

POST OFFICE BOX 962, 1080 EMELINE AVENUE SANTA CRUZ, CA 95061-0962  
(831) 454-4066 FAX: (831) 454-4770 TDD: (831) 454-4123

### AGENCY ADMINISTRATIVE DIVISION

September 21, 2005

**AGENDA: September 27, 2005**

**BOARD OF SUPERVISORS**  
County of Santa Cruz  
701 Ocean Street, Fifth Floor  
Santa Cruz, CA 95060

### **SUBJECT: ANNUAL AMBULANCE CONTRACT REVIEW**

Dear Members of the Board:

Under the terms of the agreement with American Medical Response (*AMR*) for ambulance transport services, the Board of Supervisors is required to review the performance and rates of the provider on an annual basis. The current agreement, which began in September 2003, allows for adjustments in the rate after an audit by the County's Auditor-Controller and allows for increases within specific limitations delineated in the contract. The Health Services Agency (HSA) also requests various administrative changes to the current contract as well as an adjustment to the rates to offset increased operating costs and assist in the purchase of a new, mobile data computer system for the ambulance system.

#### Contract Performance

On August 23, 2005, your Board had a presentation on the response times in the new ambulance flexible deployment system. Response times have dramatically improved over the last contract due to the integrated emergency response of *AMR* and the various fire agencies in the County as first responders. Overall, performance under the new contract has been excellent. Performance is monitored on a monthly basis by the EMS Administrator in consultation with members of the Technical Advisory Group (TAG), including the General Manager of the Santa Cruz Consolidated Emergency Communications Center (SCCECC) and the Operations Manager of *AMR*.

#### Contract Rate Review

##### Operational Costs

*AMR*'s financial records are audited twice annually, first, by a private accounting corporation, second, by the County's Auditor-Controller's Office. The Auditor-Controller's most recent annual audit of *AMR* showed that *AMR*'s financial records were in compliance with the contract and documented actual costs in allowable categories of expenditures.

There are several factors that limit the profitability of the *AMR* contract. First, the existing agreement with *AMR* limits the company's profit cap to 7% of net revenues once they successfully implemented the new, approved operating partnership with the local fire agencies. Second, collection rates are deteriorating due to: increases in uncompensated care; federal reductions in Medicare payments; and flat reimbursement rates from Medi-Cal that do not grow with the rate of inflation. Third, the cost of diesel fuel has increased 44% since the beginning of 2005. This cost heavily impacts *AMR* as under the new flexible deployment system, *AMR*'s ambulances collectively are driving 8,000 more miles each month than they did under the previous contract. Pharmacy costs are also increasing which impacts the costs for emergency care. Fourth and last, *AMR* is in the final year of a four-year agreement with their largest employee union that specified increases for employees. As a result, **HSA** is recommending an adjustment to their current rate as specified below:

\$947.27	Current Base Rate
\$ 26.05	Operational Cost Increase
\$ 11.84	New Mobile Data System
\$985.16	Proposed New Base Rate Effective 9/1/05

The proposed rate increase will primarily affect private insurance payors. No County funds are used to pay for ambulance services. As a condition of the County's contract with *AMR*, those without insurance are either charged based on their ability to pay or have their charges eliminated. *AMR*'s criteria for reducing and/or eliminating transport charges for those who qualify are contained in Exhibit G of the amended Agreement. This requirement to waive low-income fees was added in this contract.

The rate increase will help offset operational costs increases as well contribute to the support of a new mobile data computer system.

### Mobile Data Computers

The contract with *AMR* before your Board includes the costs for a mobile data computer system. The mobile data computer system will allow ambulance rigs to send and receive communications from the 9-1-1 center, Fire and the hospitals without having to use their voice on the current emergency radio frequency. This computer system will allow for communication through the transmission of data, increasing the ability to communicate quickly and accurately. As we have seen in the problems with the Katrina response, quality rapid communication is essential for effective emergency response. This improvement can save lives by efficiently transmitting data electronically without the need for voice communication. Currently the radio channel used by Fire and *AMR* is crowded with voice traffic. Fire and *AMR* units sometimes have to wait to send or receive radio transmissions, potentially delaying response to a fire or medical emergency or call for assistance. In the event of a disaster, use of the already crowded channel would be immediately problematic. Converting radio transmissions to a mobile data computer system will improve this issue and permit future needed enhancements to the system as well. The mobile data computers also avoid expenses with redesign, expansion, purchase of radio systems and frequencies.

The computers can be used for medics to contact poison control directly for better patient treatment. Medics will also be able to access electronic “quick references” to clinical protocols and medication dosage calculators, reducing human error in administering medication. In addition, hospitals getting patient information early can save lives. For example, if you are having a heart attack, the critical clinical information can be sent electronically to the hospital so they can request the proper surgeons and have testing equipment ready to receive the patient and begin treatment. Heart attacks, strokes, head injuries and many other emergencies are time sensitive. The rapid communication of complete information allows the EMS system to save lives. The mobile data computers allow ambulance and fire staff to electronically file patient care records remotely so hospitals can be ready to treat patients when they arrive. Future additions will also allow for a mapping, navigation and automated vehicle locator system with GPS. Purchasing a GPS is not recommended at this time because of the limitations of current technology and the impacts associated with system requirements for compatible communications between GPS, MDC and 911. The expenses associated with this relatively recent technological advancement are also substantial and it is expected that costs will be reduced and functionality improved in the years ahead.

The cost of purchasing the computers, server and related licenses will be primarily paid for by grant funds. Fire EMS will also be installing mobile data computers. In addition to grant funds, HSA also proposes to use excess ambulance revenues from the previous contract period to cover the remaining one-time costs of the new system. The \$11.84 will provide for on-going support and maintenance of the new, mobile data computer system.

#### Administrative Contract Changes

Currently, performance is monitored through monthly response time reports generated by Santa Cruz Consolidated Emergency Communications Center (SCCECC). A technical advisory committee reviews the data for any anomalies in response times. HSA recommends the Technical Advisory Group (TAG) be streamlined to include the County EMS Administrator, General Manager of SCCECC, and the Operations Manager of AMR for routine reviews and have the additional membership available for review of special issues impacting the system. This would be a more efficient use of staff time in the context of the current contract.

Additional administrative changes are recommended. AMR is now owned by the senior executive officers of AMR who purchased the company together with its sister company EmCare, a physician practice management company, from Laidlaw International, Inc. The new ownership uses the calendar year for its fiscal functions. HSA is requesting that the contract be amended to reflect new calendar/fiscal year and adjust reporting deadlines accordingly. Further, in converting to a calendar year, HSA recommends the rate adjustment on September 1, 2005 and a return to your Board for a rate adjustment, if appropriate, on January 1, 2007. In order to complete the alignment of the contract to the calendar year, HSA recommends that the contract terminate at midnight on December 31, 2008, unless terminated earlier or extended. The contract originally terminated on August 31, 2008.

The Auditor-Controller’s Office performs annual audits of AMR’s financial data and the most recent audit, prepared June 2005, and had no comments and no recommendations for improving AMR’s financial systems. The Auditor-Controller did identify several accounts within the contract’s “Chart of Accounts” which were not reflective of changing telecommunications



technology. HSA is therefore requesting the authority to update the contract's "Chart of Accounts" with the Auditor-Controller as needed and in keeping with generally accepted accounting principles.

The amended agreement with AMR has been reviewed and approved by County Counsel.

It is, therefore, RECOMMENDED that your Board:

1. Accept and file this report on ambulance rates and approve the requested increase effective September 1, 2005;
2. Adopt the attached resolution accepting and appropriating \$35,432 of unanticipated revenue from the Ambulance Excess Revenue Trust Fund into the HSA budget;
3. Approve the amended agreement with AMR regarding changes in the of ownership of AMR, including alignment of the fiscal calendar to the calendar year and monitoring systems related to the Technical Advisory Group (TAG) and authorize the HSA Director to sign; and,
4. During the term of the agreement with AMR and with the approval of the Auditor-Controller, authorize the HSA Director to execute amendments to the Agreement modifying the "Chart of Accounts."

Respectfully submitted,



Rama K. Khalsa, Ph.D.  
Health Services Agency Director

RECOMMENDED:



Susan Mauriello  
County Administrative Officer

Attachments: Resolution Accepting Unanticipated Revenue (AUD 60)  
Amended Contract 0127 with AMR with Strikeouts  
Letter from AMR regarding contract  
Letter of support from the Emergency Medical Services Integration Authority

cc: **County Administrative Office**  
**Auditor-Controller**  
**County Counsel**  
**HSA Administration**  
**County EMS Services**  
**AMR West**  
**EMCC**  
**EMSIA**

**BEFORE THE BOARD OF SUPERVISORS  
OF THE COUNTY OF SANTA CRUZ, STATE OF CALIFORNIA**

RESOLUTION NO. \_\_\_\_\_

On the motion of Supervisor \_\_\_\_\_  
duly seconded by Supervisor \_\_\_\_\_  
the following resolution is adopted.

**RESOLUTION ACCEPTING UNANTICIPATED REVENUE**

WHEREAS, the County of Santa Cruz is a recipient of funds from excess ambulance revenue  
as deposited in the Ambulance Trust Fund \_\_\_\_\_ program; and

WHEREAS, the County is a recipient of funds in the amount of \$ 35,432  
which are either in excess of those anticipated or are not specifically set  
in the current fiscal year budget of the County; and

WHEREAS, pursuant to Government Code Section 29130(c)/29064(b), such funds  
may be made available for specific appropriation by a four-fifths vote of  
the Board of Supervisors;

NOW, THEREFORE, BE IT RESOLVED AND ORDERED that the Santa Cruz County  
Auditor-Controller accept funds in the amount of \$ 35,432 into  
Department Public Health - Emergency Medical Services

TIC	Index Number	Revenue Subobject Number	Account Name	Amount
			PER ATTACHED SCHEDULE	35,432

and that such funds be and are hereby appropriated as follows:

TIC	Index Number	Expenditure Subobject Number	PRJ/UCD	Account Name	Amount
				PER ATTACHED SCHEDULE	35,432

**DEPARTMENT HEAD** I hereby certify that the fiscal provisions have been  
researched and that the Revenue(s) (has been) (will be) received within the  
current fiscal year.

By Ran K... Date 9-19-05  
Department Head

COUNTY ADMINISTRATIVE OFFICER

Recommended to Board

Not Recommended to Board

PASSED AND ADOPTED by the Board of Supervisors of the County of Santa Cruz, State of California, this \_\_\_\_\_ day of \_\_\_\_\_ 19\_\_\_\_ by the following vote (requires three-fifths vote for approval):

AYES: SUPERVISORS

NOES: SUPERVISORS

ABSENT: SUPERVISORS

CHAIR OF THE BOARD

ATTEST:

Clerk of the Board

APPROVED AS TO FORM:

*[Signature]*  
County Counsel

APPROVED AS TO ACCOUNTING DETAIL:

*[Signature]* 9/23/05  
Auditor-Controller

Distribution:

- Auditor-Controller
- County Council
- County Administrative Officer
- Originating Department

**ESTIMATED REVENUES:**

T/C	Index Number	Revenue Subobject Number	Account Name	Amount
001	362010	2384	OTHERREVENUE	35,432
Total				\$ <u>35,432</u>

**APPROPRIATIONS:**

T/C	Index Number	Expenditure Subobject Number	PRJ/UCD	Account Name	Amount
021	362010	3975	H208	MISC. EXPENSE	35,432
Total					\$ <u>35,432</u>

**COUNTY OF SANTA CRUZ  
REQUEST FOR APPROVAL OF AGREEMENT**

*GW*

TO: Board of Supervisors  
County Administrative Office  
Auditor Controller

FROM: Health Services Agency (Department)

BY: \_\_\_\_\_ (Signature) \_\_\_\_\_ (Date)  
Signature certifies that appropriations/revenues are available

AGREEMENT TYPE (Check One) Expenditure Agreement  Revenue Agreement

The Board of Supervisors is hereby requested to approve the attached agreement and authorize the execution of same.

1. Said agreement is between the Health Services Agency - Administration (Department/Agency)  
and AMR 116 Hubbard St., Santa Cruz, CA 95060 (Name/Address)

2. The agreement will provide ambulance services

3. Period of the agreement is from September 1, 2003 to December 31, 2008

4. Anticipated Cost is \$ 1,000 annually  Fixed  Monthly Rate  Annual Rate  Not to Exceed

Remarks: Amended Contract

5. Detail:  On Continuing Agreements List for FY 05 - 06 Page CC- 6 Contract No: 0127 OR  1<sup>st</sup> Time Agreement  
 Section II No Board letter required, will be listed under Item 8  
 Section III Board letter required  
 Section IV Revenue Agreement

6. Appropriations/Revenues are available and are budgeted in 362010 363147 (Index) 3651 100 (already enc.)  
3651 1,000 (already enc.) (Sub object)

NOTE: IF APPROPRIATIONS ARE INSUFFICIENT, ATTACHED COMPLETED AUD-74 OR AUD-60

Appropriations are available and have been encumbered. Contract No: C050127  
are not will be By: \_\_\_\_\_ Date: \_\_\_\_\_  
 Auditor-Controller Deputy

Proposal and accounting detail reviewed and approved. It is recommended that the Board of Supervisors approve the agreement and authorize  
Health Services Agency Director (Dept/Agency Head) to execute on behalf of the  
Health Services Agency (Department/Agency)

Date: 9/21/05 By: [Signature]  
 County Administrative Office

Distribution:  
 Board of Supervisors - White  
 Auditor Controller - Canary  
 Auditor-Controller - Pink  
 Department - Gold

State of California  
 County of Santa Cruz  
 I, [Signature] ex-officio Clerk of the Board of Supervisors of the County of Santa Cruz,  
 State of California, do hereby certify that the foregoing request for approval of agreement was approved by said Board of Supervisors as recommended by the County Administrative Office by an order duly entered in the minutes of said Board on 9/21/05  
 By: [Signature] Deputy Clerk

AUDITOR-CONTROLLER USE ONLY

CO	Document No.	JE Amount	Lines	H/TL	Keyed By	Date
TC110	Auditor Description	\$	Amount	Index	Sub object	User Code

49.1

The COUNTY OF SANTA CRUZ through the HEALTH SERVICES AGENCY – ADMINISTRATION 1080 Emeline Avenue, P.O. Box 962, Santa Cruz CA 95061-0962 hereinafter called County and:

AMERICAN MEDICAL RESPONSE WEST, a California Corporation, and a subsidiary of AMERICAN MEDICAL RESPONSE, INC. hereinafter called Contractor:

WHEREAS CONTRACTOR possesses certain skills, experience, education and competency to perform the special services and, COUNTY desires to engage CONTRACTOR for such special services upon the terms provided; and

WHEREAS, Division 2.5 of the Health and Safety Code sections 1797.224 and 1797.85 allows the local EMS agency to create Exclusive Operating Areas (EOAs) to restrict operations to one or more providers of emergency ambulance through a competitive bid process; and

WHEREAS, pursuant to Division 2.5 of the Health and Safety Code, Section 1797.200, the County of Santa Cruz has designated the Health Department to be the local EMS agency and to develop a written agreement with a qualified Advanced Life Support (ALS) ambulance service provider based on a competitive bid process, subject to the rights granted for EOAs; and

WHEREAS, Title 22 California Code of Regulations Section 100173, Division 9, Chapter 4, Article 6, requires an ALS service provider to have a written agreement with the local EMS Agency.

NOW, THEREFORE, the parties hereto do mutually agree as set forth in: Sections 1 through 11 included herein and their exhibits.

Said exhibits attached hereto are incorporated into this Agreement by this reference.

IN WITNESS THEREOF, COUNTY AND CONTRACTOR have executed this Agreement to be effective:

Date: January 1, 2006

unless terminated by either party in accordance with the terms of this Agreement.

CONTRACTOR

COUNTY

*James G. Murray*  
CEO, AMR Northwest Plains Region

*Ron Kline*  
Health Services Agency Director

Approved as to Form:  
*Patricia Garcia*  
County Counsel

Index: 362010  
Subobject: 3665  
Amount: NA

Approved as to Insurances:  
*Janet McKimby*  
Risk Management Division 01-23-05

Total Annual Contract Amount: \$0.00

Distribution:  
Clerk of the Board  
Auditor-Controller  
Health Services Agency  
Contractor

Second Amended  
**Emergency Ambulance Transport Services Provider Agreement**  
**Between The County Of Santa Cruz**  
**And American Medical Response West**

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**SECTION 1**  
**ADMINISTRATION OF THE CONTRACT AND TERMS**

**1.1. Contract Administration**

The Santa Cruz County Health Services Agency, through its Contract Administrator, shall represent the County in all matters pertaining to this Agreement and shall administer this Agreement on behalf of the County. The Contract Administrator or her/his designee may:

- A. Audit and inspect the Contractor's and Subcontractor's operational and patient care records;
- B. Monitor the Contractor's and Subcontractor's EMS service delivery for compliance with standard of care as defined through law, medical protocols, and policies; and
- C. Provide technical guidance, as the Contract Administrator deems appropriate.

**1.2. Term of Contract**

The term of this Agreement shall commence at 00:01 hours on September 1, 2003 (Effective Date), and shall terminate at midnight on December 31, 2008, unless terminated earlier or extended pursuant to the terms and conditions of this Agreement.

**1.3. Conditions for Contract Extension**

This Agreement may be extended for an additional five-year period by action of the Santa Cruz County Board of Supervisors. One year prior to the expiration of this Agreement, Contractor may petition the Board for a five-year extension.

- A. In deciding whether or not to extend the Agreement, the Board of Supervisors, at its discretion, may establish a Review Committee to analyze the performance of the Contractor and to make recommendations to the Contract Administrator.
- B. The Committee's review will consider, but not be limited to, how well the Contractor has performed in the following areas:
  - 1. Compliance with this Agreement;
  - 2. Operational and financial areas;
  - 3. Effectiveness of Contractor's quality improvement program in achieving demonstrable improvements in the performance and efficiency of the system;
  - 4. Cooperation of management in assisting the EMS Agency with system operation and enhancements;
  - 5. Number of substantiated complaints filed against Contractor and the manner in which Contractor handled them;
  - 6. Extent of Contractor's community involvement;
  - 7. Consistency in maintaining and/or improving its professional image;
  - 8. Integration of community and employee input;
  - 9. Level of cooperation between the Contractor and other participants within the EMS System; and
  - 10. Effectiveness in managing and coordinating first responder agreements.

1 **1.4. Contract Response Area**  
2

3 All requirements described in this Agreement apply to the County of Santa Cruz as shown in  
4 **Exhibit A** and described as the Exclusive Operating Area (EOA).  
5

6 **1.5. Notices**  
7

8 All notices, demands, requests, consents, approvals, waivers, or communications (“notices”)  
9 that either party desires or is required to give to the other party or any other person shall be in  
10 writing and either personally delivered or sent by prepaid postage, first class mail. Notices  
11 shall be addressed as appears below for each party, provided that if either party gives notice  
12 of a change of name or address, notices to the giver of that notice shall thereafter be given as  
13 demanded in that notice.  
14

15 Contractor: Director of Operations  
16 American Medical Response  
17 116 Hubbard Street  
18 Santa Cruz, California 95060  
19

20 County: Emergency Medical Services Agency  
21 County of Santa Cruz  
22 1080 Emeline Avenue  
23 Santa Cruz, California 95060  
24

25 **1.6 Fiscal and Reporting Schedule Transition Period**  
26

27 When this Agreement went into effect on September 1, 2003, the schedule for certain fiscal  
28 and reporting requirements was based on a contract year running September 1st through  
29 August 31st. Effective September 1, 2005, the schedule for those fiscal and reporting  
30 functions will be based on a contract year running January 1<sup>st</sup> to December 31<sup>st</sup>, with the  
31 exception of an initial transition period of September 1, 2005 to December 31, 2005.  
32

**SECTION 2**  
**ROLES AND RESPONSIBILITIES**

**2.1. County's Functional Responsibilities**

The County seeks to ensure that reliable, high quality prehospital emergency medical care and transport services are provided on an uninterrupted basis. To accomplish this purpose, the County shall:

- A. Oversee and enforce the Contractor's rights as the sole provider of ALS 9-1-1 prehospital emergency medical care and transport services within the EOA;
- B. Oversee, monitor and evaluate contract performance and compliance;
- C. Utilize an electronic PCR database with which the Contractor and Subcontractors will comply so that the County can assess the quality of prehospital care being provided;
- D. Assess the Santa Cruz Consolidated Emergency Communications Center (SCCECC) for proper administration of the Contractor's written System Status Management Plan, in collaboration with the Contractor, and for emergency medical dispatch performance;
- E. Review and take appropriate action on any proposal for change to improve or realign the EMS dispatch, Contractor deployment, and/or EMS system status management functions; and
- F. Provide medical direction and control of the EMS system.

**2.2. Contractor's Functional Responsibilities**

During the term of this Agreement, the Contractor shall:

- A. Provide prehospital emergency medical care and transport services in response to medical 9-1-1 calls within the EOA twenty-four (24) hours each day, seven days a week, without regard to the patient's financial status;
- B. Develop system status management and deployment plans specific to meeting EMS performance requirements within Santa Cruz County, continuously monitor the implementation of these plans, and secure necessary ambulance post locations at the Contractor's expense;
- C. Provide all ambulances, as well as other vehicles and equipment that are necessary for the provision of services required under this Agreement;
- D. Furnish supplies and replacements for those used by the Contractor's personnel;
- E. Establish a recruitment, hiring and retention system consistent with ensuring a quality workforce of clinically competent employees that are currently certified, licensed and/or accredited;
- F. Comply with all training requirements established by the State of California, and all applicable policies and provisions established by the Santa Cruz County EMS Agency;
- G. Maintain neat, clean, and professional appearance of all personnel, facilities and equipment;
- H. Establish and maintain an equipment exchange program with First Responder Agencies;
- I. Submit, in a timely manner, reports, which are supported by documentation or other verifiable information, as required by the County;

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- J. Respond to County inquiries about service and/or complaints within one business day of notification;
- K. Notify the County, as soon as possible, of all incidents in which the Contractor's or Subcontractor's personnel fail to comply with protocols and/or contractual requirements;
- L. Assure that Subcontractors meet all performance and contractual requirements;
- M. If subcontracting for paramedic First Responder service, establish agreements with each First Responder Agency that is capable of providing ALS paramedic first response and wishes to do so, which shall provide partial reimbursement consistent with the provision of this Agreement and with the first responder funding formula approved by the County; and
- N. Review all Subcontractor response time exceptions, and collect fines as appropriate to the applicable schedules in this Agreement.

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## SECTION 3 DEPLOYMENT

### 3.1. Deployment Plan

A. Deployment Parameters – All Contractor ambulance responses under the terms of its agreement with the County shall be dispatched as directed by Santa Cruz Consolidated Emergency Communications Center (SCCECC, known as NetCom) or in compliance with policies and protocols established by the County. Deployment plans shall:

1. Specify proposed locations of ambulances and numbers of vehicles to be deployed during each hour of the day and day of the week.
2. Describe 24 hour and system status management strategies.
3. Describe mechanisms to meet the demand for emergency ambulance response during peak periods or unexpected periods of unusually high call volume.
4. Include a map identifying proposed ambulance station or post locations.
5. Describe the full-time and part-time work force necessary to fully staff ambulances identified in the deployment plans.
6. Describe any planned use of on-call crews.
7. Describe any mandatory overtime requirements.
8. Describe how workload shall be monitored for personnel assigned to 24-hour units.
9. Describe record keeping and statistical analyses to be used to identify and correct response time performance problems.
10. Describe any other strategies to enhance system performance and/or efficiency through improved deployment/redeployment practices.

### 3.2. On-going Deployment Plan Requirements

31 An initial deployment plan shall be filed with the County prior to September 1, 2003 as part  
32 of the Initial Reporting Requirements shown in **Exhibit B**. A current deployment plan shall  
33 be kept on file with the Santa Cruz County EMS Agency. The Contractor shall redeploy  
34 ambulances or add additional ambulance hours if the response time performance standard is  
35 not met. Failure by Contractor to redeploy or add ambulance units within two months of  
36 notice by the County of failure to meet response time standards shall constitute a major  
37 breach of contract.

38  
39 The Contractor shall submit proposed changes in the deployment plan in writing to the  
40 Contract Administrator 30 days in advance. The 30-day notice may be waived if an  
41 emergency adjustment to the plan is needed to correct an acute performance problem.

### 3.3. Annual Review of Deployment

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45 Each year, as part of the annual budget review process, Contractor will provide County  
46 updated deployment maps consistent with the format shown in **Exhibit C**.  
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## SECTION 4 OPERATIONS

### 4.1. Response Time Standards

- A. Response Time Performance – System response times are a key measurement of performance. This measurement is the determining factor, which drives the placement and redeployment of the system’s resources throughout the entire system.
1. Each incident will be counted as a single response regardless of the number of units that respond.
  2. The Contractor shall use its best efforts to minimize variations or fluctuations in response time performance.
- B. Geographical Response Zones – For purposes of tracking Contractor response times and reporting, the EOA will be considered a single zone.
1. Compliance with response times in this Agreement is measured by meeting the performance criteria in the single aggregate zone.
  2. Population density determines response times:
    - a. Metro: > 500 people per square mile
    - b. Urban: 101-500 people per square mile
    - c. Suburban: 51-100 people per square mile
    - d. Rural: 7-50 people per square mile
    - e. Wilderness: < 7 people per square mile
  3. For the purpose of assigning response time criteria for this Agreement, population density categories shall be combined as follows and as shown in **Exhibit D**:
    - a. Urban (includes Metro)
    - b. Suburban
    - c. Rural (includes Wilderness)
- C. Response Priority Categories – The County currently designates five levels of emergency patient acuity, which are used as response time determinants (Alpha, Beta, Charlie, Delta and Echo) with which Contractor must comply by meeting specified response times.
1. The priority designation (Code 2/Code 3) of an assignment shall be accomplished in accordance with approved dispatch protocols for each of the determinants.
  2. Subcontractor (or Contractor where applicable) will be deemed to be in compliance with response time standards if ninety percent (90%) or more of all Code 3 9-1-1 events in which an ALS first responder unit arrives on scene, measured monthly, meet the specified response times.
  3. Contractor will be deemed to be in compliance with response time standards if ninety percent (90%) or more of all Code 3 9-1-1 events in which a transport ambulance arrives on scene, measured monthly, meet the specified response times.



1 D. Response Time Standards – The response time standards for ALS First Responders  
2 and ALS Ambulances will be as follows:  
3

Response Code	Population Density	ALS First Responders	ALS Ambulance
Code 3	Urban	8:00 min or less	12:00 min or less
Code 3	Suburban	12:00 min or less	18:00 min or less
Code 3	Rural	20:00 min or less	30:00 min or less

4 *Code 3 is the immediate response of first responders and ambulance with lights and sirens.*  
5

6 E. Response Time Exemptions – In some cases late responses will be excused from  
7 financial penalties and from response time compliance reports. Examples of  
8 exemptions include:

- 9 1. Failure by SCCECC dispatcher to give accurate location information  
10 (including address or cross street) to responding unit;
- 11 2. Weather conditions which impair visibility or create other unsafe driving  
12 conditions;
- 13 3. Call in which the response code is reduced from Code 3 to Code 2 by  
14 SCCECC or First Responder during the time the ambulance unit is enroute to  
15 the dispatched location;
- 16 4. Wrong address provided by the requesting party;
- 17 5. Disrupted voice or data radio transmission beyond the control of Contractor or  
18 SCCECC;
- 19 6. Material change in dispatch location after the initial dispatch is recorded as  
20 dispatched (DS);
- 21 7. SCCECC failure to follow the Contractor's written, automated System Status  
22 Management plan that directly affects the response time of the call;
- 23 8. Call in which Contractor's responding EMT-P crew believe the delay in their  
24 timely arrival to the call was outside their control and request SCCECC  
25 dispatcher to electronically mark the call record with a Delay Code (DC)  
26 designation;
- 27 9. Traffic stoppages on those portions of Highway 17 where no breakdown lanes  
28 exist;
- 29 10. Unavoidable delays caused by road construction and/or closure;
- 30 11. Absence of units from the Contractor's dedicated Santa Cruz County system  
31 deployment during time of a declared disaster in contiguous county, as  
32 approved by the Contract Administrator;
- 33 12. Periods in which the SCCECC'S computer aided dispatch (CAD) system is  
34 not operable and/or a SCCECC equipment failure disrupts the transmission or  
35 recording of an incident; and,
- 36 13. Periods of Unusual System Overload, defined herein, if Contractor activates  
37 its approved Unusual System Overload Plan.

38  
39 Exemptions shall be for good cause only, as determined by the County. The burden  
40 of proof that there is good cause for the excuse shall rest with the Contractor and  
41 Contractor must have acted in good faith. The alleged good cause must have been a  
42 substantial factor in producing the excessive response time. Exemptions shall be  
43 considered on a case-by-case basis. Contractor shall file a request for each response

1 time exemption on a monthly basis with the Santa Cruz County EMS Agency within  
2 20 business days of the end of the previous month. Such request shall list the date,  
3 the time, and the specific circumstances causing the delayed response.  
4

5 Exemptions may be granted for instances of "move up and cover" or "mutual aid"  
6 consistent with EMS policy and procedure.  
7  
8

9 F. Response Time Calculations – Response times shall be calculated from the hour,  
10 minute and second the call is dispatched by SCCECC to the hour, minute and second  
11 the Contractor's ALS or transport unit arrives on scene, is "staging" (ST) as defined  
12 in Section 4.1 (F) (4) below or is "in the area" (IA) as defined in Section 4.1 (F) (5).  
13 below. A call is considered "dispatched" at the time of initial radio and/or pager  
14 toning as automatically captured via the Computer Aided Dispatch (CAD) System  
15 and time stamped as "DS". Contractor's crews will be responsible for notifying  
16 SCCECC of arrival On-Scene immediately upon arrival at the scene of a call. The  
17 parties understand and agree that:

- 18 1. Contractor will have successfully stopped the ALS Response Time (ART)  
19 clock by arriving in an ALS ambulance or Quick Response Vehicle (QRV)  
20 before, or in lieu of, the ALS first responder.
- 21 2. For purposes of response time calculation, when calculating monthly reports,  
22 SCCECC will subtract thirteen (13) seconds from the elapsed time recorded  
23 for each call to allow for the time (on average) required for SCCECC  
24 dispatchers to log unit on-scene times. Calls canceled enroute by SCCECC or  
25 First Responder will not be included in evaluation of Contractor's  
26 Performance Response monthly compliance.
- 27 3. Notification of SCCECC upon arrival on-scene shall normally be given  
28 immediately prior to parking the first responder vehicle or ambulance;
- 29 4. In cases of response to hazardous materials incidents and incidents involving  
30 response by a law enforcement agency where there is reason to believe the  
31 scene to be unsafe, the response time clocks shall be stopped when the  
32 emergency vehicle arrives at a safe or designated staging area, announced by  
33 responding units as "Staging" (ST).
- 34 5. In responses to locations lacking access by way of a street or road maintained  
35 for public or private use, the responding crews shall advise SCCECC of  
36 arrival "In the Area" (IA) when they are leaving the paved street or road to  
37 obtain access to the patient.
- 38 6. If the responding crews are unable to report that they arrived at the scene  
39 because of radio coverage, the response time clock shall be stopped at the time  
40 of the next communication between the crew and SCCECC. The Contractor  
41 may request exemption of a late response in such instances when it can  
42 reasonably prove the attempted on-scene announcement and arrival time  
43 through other means.  
44

45 Contractor's Response Times will be calculated on a monthly basis to determine  
46 compliance with the standards set forth in this Agreement. Contractor's compliance  
47 to response zones will be measured on the aggregate with Contractor meeting

1 response time standards for a minimum of ninety (90) percent of all Code 3 calls in  
2 zones, as calculated under this Agreement.

3  
4 Contractor will work with County to install transmitter units on ambulances if Global  
5 Positioning System (GPS) technology is implemented by the Santa Cruz Consolidated  
6 Emergency Communications Center.

- 7  
8 G. Applicable Calls – Response time standards shall be applicable to all Code 3 calls.  
9 ALS response times and transport response times will be calculated and monitored  
10 separately. Each incident shall be counted as a single response regardless of the  
11 number of first responders or ambulances actually utilized and only the first arriving  
12 ALS responder's time shall be applicable to the response time calculation. If a  
13 response is canceled, or downgraded to a lower priority, financial penalties may be  
14 assessed if response time standards are exceeded at the time of cancellation or  
15 downgrade.

16  
17 The Contractor shall not be held accountable for emergency or non-emergency  
18 response time compliance for any request for service originating outside the EOA,  
19 and those responses will not be counted in the number of total calls used to determine  
20 response time compliance under this Agreement.

- 21  
22 H. Penalty for Failure to Provide Data to Determine Compliance – When on-scene time  
23 cannot be provided for a particular emergency call, response time for that call shall be  
24 deemed to have exceeded the required response time for purposes of determining  
25 response time compliance. In order to rectify the failure to report an on-scene time  
26 and to avoid the penalty, Contractor may demonstrate to the satisfaction of the Santa  
27 Cruz County EMS Agency an accurate on-scene time, however, the response would  
28 then be subject to response time penalty calculations.

- 29  
30 I. Performance Report – Within twenty (20) business days following the end of each  
31 month, Contractor shall submit a written report to the Santa Cruz County EMS  
32 Agency, in a manner required by the Santa Cruz County EMS Agency, identifying  
33 each emergency call dispatched which did not meet response time standard, each use  
34 of a BLS ambulance, and each failure to properly report times necessary to determine  
35 response time, on-scene time, and transport time. Contractor shall identify causes of  
36 performance failures and shall document efforts to eliminate these problems.

- 37  
38 J. Air Ambulance/Air Rescue Services - The County reserves the right to allow  
39 helicopter air ambulance or helicopter air rescue services to operate in the County for  
40 the purpose of providing air ambulance/air rescue transportation services for both  
41 immediate and scheduled responses. This includes flights and transportation within  
42 the exclusive operating area/County. Prehospital utilization of such services is based  
43 upon Santa Cruz County EMS Agency policies and procedures. The Contractor shall  
44 comply with Santa Cruz County EMS Agency policies and procedures regarding the  
45 use of these services.

1. If the sponsor of a special event requests a dedicated standby ambulance at an event, Contractor may enter into a separate agreement with the sponsor for the provision of payment for such services.
2. Contractor shall not be precluded from performing other outside work at approved rates, such as non-emergency medical transfers.
3. Nothing herein shall excuse Contractor from satisfying its obligations under the terms of this Agreement. Expense for use of dedicated system equipment and revenues generated will be reported as described in Section 10 – Fiscal Requirements.

#### **4.2. Dispatch Requirements**

- A. Dispatch – Contractor shall contract with and make payments for emergency paramedic dispatch services to the County’s exclusive emergency dispatch center, SCCECC.
- B. Dispatch Performance/QI Program – Recognizing the critical importance communications plays in EMS system performance and the Contractor’s ability to fulfill its obligations, County and Contractor agree that SCCECC will have specific performance standards for EMS dispatch that are measurable. Contractor may participate in defining these performance standards. The specific performance standards and the components of SCCECC’s quality improvement program shall be described in a separate contract between SCCECC and Contractor and a copy shall be provided to the County..
- C. Communications Equipment – Contractor shall provide and maintain in good operating condition, communication equipment consistent with County Policies and Procedures. Such communications equipment shall be compatible with existing SCCECC equipment, and remain so during the period of this agreement.
- D. County Provided Equipment – Contractor shall reimburse SCCECC for Contractor’s portion of costs associated with the repair and/or maintenance of any radio equipment provided to the Contractor by mutual agreement for their beneficial use in servicing this agreement, and as outlined in the Contractor’s agreement with SCCECC, which may include, but not be limited to the communications dispatching infrastructure.

#### **4.3. Equipment and Supplies**

- A. Ambulances – All ambulances used under the contract shall be of a Type I, II, or III, shall be in good condition, and shall meet or exceed the current Federal KKK standards at the time of the vehicles’ original manufacture, except where such standards conflict with State of California standards, in which case the State standards shall prevail. All such ambulances shall also meet or exceed the equipment standards of the State of California. All units performing emergency response under this Agreement will be licensed annually by the County.

As part of Contractor’s Annual Report, the Contractor shall provide to the County a complete listing of all ambulances (including reserve ambulances) proposed to be

1 used in the performance of the Agreement, including their license and vehicle  
2 identification numbers, and the name and address of the lien holder, if any. Changes  
3 in the lien holder, as well as the transfer of ownership, purchase, or sale of  
4 ambulances used under the contract shall be reported to the County.  
5

6 Contractor shall provide a minimum of three (3) reserve ambulances, within the  
7 exclusive operating area, that are fully stocked with equipment and supplies at all  
8 times.  
9

- 10 B. Ambulance Equipment and Supplies – Each ambulance shall, at all times, maintain an  
11 equipment and supply inventory sufficient to meet Federal, State, and local  
12 requirements for ALS level ambulances, including the requirements of County  
13 Policies and Procedures. Contractor shall be responsible for stocking all expendable  
14 supplies including medications.  
15

16 All medical equipment shall be in good repair and in working and safe order at all  
17 times.  
18

19 Contractor shall maintain, within the exclusive operating area, a surplus of all  
20 required supplies sufficient to sustain operations for a minimum of thirty (30) days.  
21

22 Contractor shall ensure that each ambulance is equipped with appropriate emergency  
23 communication and alerting devices. Every ambulance shall include the ability to  
24 communicate at all times and locations with SCCECC, Base Hospitals, other  
25 hospitals, fire agencies, and public safety agencies. Contractor shall ensure that each  
26 ambulance unit utilized in the performance of services under the contract is equipped  
27 with emergency alerting devices capable of being used to notify ambulance personnel  
28 of response need; and radio communications equipment compatible with SCCECC  
29 communications equipment sufficient to meet or exceed the requirements of County  
30 Policies and Procedures.  
31

32 Prior to commencement of operations and annually thereafter during the budget  
33 planning and capital expenditure approval process, Contractor shall submit an  
34 Equipment Replacement Plan to County that shall include, but not be limited to, the  
35 number of ambulances and a listing of the durable equipment that is scheduled to be  
36 removed from front-line service in that year.  
37

- 38 C. Controlled Substances – The Contractor shall have controlled substance policies and  
39 procedures, consistent with Drug Enforcement Administration (DEA) requirements,  
40 to govern the storage, inventory, accountability, restocking, and procurement of  
41 controlled drugs and substances permitted by the County to be carried and utilized in  
42 the provisions of ALS by paramedics.  
43

- 44 1. The EMS Medical Director and Contract Administrator shall approve all  
45 controlled substance policies and procedures.
- 46 2. Any incident of non-compliance with controlled substance policies and  
47 procedures shall be reported immediately to the Contract Administrator.  
48

1 D. Safety – Contractor shall provide personnel with training and equipment necessary to  
2 ensure protection from illness or injury when responding to an emergency medical  
3 request.  
4

5 E. Vehicle Maintenance Program – Contractor’s vehicle maintenance program shall be  
6 designed and conducted so as to achieve the highest standards of reliability  
7 appropriate to a modern emergency service.  
8

9 Contractor shall maintain all ambulances. Vehicles shall be kept in excellent working  
10 condition at all times. Any ambulance with any deficiency that compromises, or may  
11 compromise, its performance, shall be immediately removed from service.  
12

13 Contractor shall submit a vehicle maintenance program and locations of maintenance  
14 services in writing to the County. Records of vehicle maintenance shall be submitted  
15 to the County as part of Contractor’s Annual Report.  
16

17 Appearance of vehicles shall be excellent. Contractor shall repair all damage to  
18 ambulances in a timely manner.  
19

#### 20 **4.4. Disaster Preparedness**

21

22 A. Disaster Plan – The Contractor shall have a plan for the immediate recall of personnel  
23 to staff units during multi-casualty situations, times of peak overload, or declared  
24 disaster situations. This plan shall include the ability of the Contractor to page and  
25 alert off-duty personnel. Contractor shall participate in training programs and  
26 exercises designed to upgrade, evaluate, and maintain readiness of the system’s  
27 disaster and multi-casualty response system.  
28

29 To the extent that Contractor has units available, but consistent with its primary  
30 responsibility to provide ambulance and emergency medical services in the exclusive  
31 operating area, Contractor, with County approval, shall render immediate “instant  
32 aid” and “mutual aid” to those providers of emergency medical services operating  
33 within adjacent areas in order to insure that timely emergency medical services are  
34 rendered to persons in need of such services within those areas.  
35

36 B. Disaster Planning – Contractor shall actively participate with the County in disaster  
37 planning. Contractor shall designate a representative who shall regularly attend  
38 meetings and shall be the liaison for disaster activities with the County and with other  
39 agencies. The Contractor shall provide field personnel and transport resources for  
40 participation in any County disaster drill in which the County disaster plan/multi-  
41 casualty incident plan is tested.  
42

43 C. Disaster Response – If a disaster declaration is made, the County may suspend  
44 normal operations and the Contractor shall respond in accordance with the disaster  
45 plan. The following provisions may apply, as determined by the Contract  
46 Administrator, during and after a disaster:  
47

- 1 1. During such periods, the Contractor may be released, at the discretion of the  
2 Contract Administrator, from response time performance requirements for all  
3 responses, including late run penalties. At the scene of such disasters,  
4 Contractor personnel shall perform in accordance with the County disaster  
5 plan.  
6
- 7 2. When disaster response has been terminated, the Contractor shall resume  
8 normal operations as rapidly as is practical considering exhaustion of  
9 personnel, need for restocking, and other relevant considerations and shall  
10 keep the Contract Administrator informed of factors that limit Contractor's  
11 ability to resume normal operations.  
12
- 13 3. During the course of a disaster, the Contractor shall use its best efforts to  
14 maintain emergency service throughout the EOA, and shall suspend or ration  
15 non-emergency transport work as necessary.  
16
- 17 4. The County shall assist the Contractor in seeking reimbursement for its costs  
18 for any disaster relief monies. Such assistance shall be limited to processing  
19 claims for reimbursement equal to 100% of the direct cost of the services, or  
20 the allowable standby charge provided for herein, whichever is greater. The  
21 County shall have no financial responsibility for these costs or charges other  
22 than to provide assistance in processing the claim(s) for payment.  
23

#### 24 **4.5. System Committee Participation**

25  
26 Contractor shall designate appropriate personnel to participate in committees that have a  
27 direct impact on emergency medical services for the County.  
28

#### 29 **4.6. Community Education/Prevention**

30  
31 Contractor shall participate in the EMS system's public education and information program  
32 including press relations, explanations regarding rates, regulations and system operations,  
33 increasing public awareness and knowledge of the EMS system, injury/mortality  
34 prevention/reduction, and general health and safety promotion.  
35

36 Contractor is encouraged to offer a variety of public education programs, including, but not  
37 limited to, EMS system use, citizen CPR, disaster preparedness, injury prevention, seat belt  
38 and helmet use, and infant/child car seats. Other appropriate activities might include blood  
39 pressure screening, speaking to community groups, and programs for school children and  
40 adolescents. Contractor shall work collaboratively with other public safety and EMS related  
41 groups such as the American Heart Association, the American Red Cross, and health care  
42 organizations to plan and provide public education programs.  
43

44 Contractor shall present or participate in community education programs emphasizing health  
45 and prevention programs, as well as access to the EMS system no less than twelve (12) times  
46 per year. As part of the Annual Report, Contractor shall provide County a report outlining all  
47 community education activities over the preceding twelve (12) month period.  
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**SECTION 5  
PERSONNEL**

**5.1. Clinical and Staffing Standards**

County expects that the provision of emergency ambulance services shall conform to the highest professional standards and shall comply with all applicable State laws and regulations, and County EMS policies, procedures and field treatment guidelines. All persons employed by Contractor in the performance of work under this contract shall be competent and holders of appropriate and currently valid certificates/licenses/accreditations in their respective trade or profession. Contractor shall be held accountable for its employees' licensure, performance and actions. Patient's privacy and confidentiality shall be protected. Employees shall not disclose patient medical information to any person not providing medical care to the patient.

A. Ambulance Staffing – Contractor shall, at all times, staff each ambulance with two persons who are licensed in the State of California and accredited in Santa Cruz County as an Emergency Medical Technician-Paramedic (“EMT-P”), as those terms are defined in the California Health and Safety Code and the California Code of Regulations. Prior to September 30, 2003 Contractor shall provide for Contract Administrator approval, a plan to promote and recognize personnel with bilingual skills, especially Spanish.

B. Management and Supervision

1. Contractor shall provide the management personnel necessary to administer and oversee all aspects of emergency ambulance service including oversight of subcontracts.
2. There shall be one (1) Field Supervisor on duty within the exclusive operating area at all times. The Field Supervisor will be a currently licensed paramedic with current accreditation in Santa Cruz County. The Field Supervisor will supervise Contractor personnel, ambulance deployment and operations and will be available as a resource to Subcontractors in the provision of their deployment and performance.
3. The parties acknowledge that paramedic services will be provided by multiple agencies from both the private and public sector and, consequently, a high level of intensive quality improvement and oversight activities are necessary. In addition, the parties acknowledge that this is a complex system which consists of the provision of services by a paramedic team that arrive in different vehicles and who are employed by different employers and, consequently, the system will require adequate oversight, coordination and facilitation by the Contractor, Subcontractor's and County in order to function seamlessly and effectively. The Field Supervisor will maintain close contact with on-duty supervisory personnel at SCCECC and the first responder agencies whenever necessary.
4. In addition to responding to the needs of the Contractor's and Subcontractor's personnel, the Field Supervisor shall immediately respond at all times to any



1 request by the County or public safety personnel from with the EOA and shall  
2 be authorized to act on behalf of the Contractor.  
3

4 C. Required Certifications - Within six (6) months of the employee's hiring date all  
5 emergency ambulance personnel shall be currently certified in:

- 6 1. Basic Cardiac Life Support (BCLS);
- 7 2. Advanced Cardiac Life Support (ACLS);
- 8 3. Pediatric Advanced Life Support, (PALS) or equivalent training approved by  
9 the EMS Medical Director;
- 10 4. Prehospital Trauma Life Support (PHTLS), Basic Trauma Life Support  
11 (BTLS) or equivalent training approved by the EMS Medical Director.  
12

13 D. Infrequent-Use Skills Refresher – EMT-Ps accredited in the county shall regularly  
14 practice skills and use of medications listed in the County's scope of practice for  
15 EMT-P, prior to performing these skills on patients in the field setting. Annually the  
16 Prehospital Advisory Committee (PAC) approves a list of infrequently used skills that  
17 are to be refreshed. A minimum of four (4) hours each year shall be allocated for each  
18 paramedic to refresh infrequently used skills identified by PAC. Contractor shall be  
19 responsible for ensuring that EMT-Ps assigned to ALS ambulances regularly  
20 complete this training and annual refresher courses.  
21

22 E. Orientation of New Personnel – Contractor shall ensure that field personnel are  
23 properly oriented before being assigned to respond to emergency medical requests.  
24 The orientation shall include, at a minimum, EMS system overview; EMS policies  
25 and procedures; radio communications with and between the Contractor, base  
26 hospital, receiving hospitals, and SCCECC; map reading skills (including key  
27 landmarks), routes to hospitals and other major receiving facilities, emergency  
28 response areas within the county and in surrounding areas; and ambulance equipment  
29 utilization and maintenance, in addition to Contractor's policies and procedures.  
30 Contractor shall be responsible for ensuring that this standard is met.  
31

32 Prior to September 30, 2003, Contractor shall submit a new employee orientation  
33 program for approval by the Contract Administrator. Contractor shall notify Contract  
34 Administrator in writing of any changes made to program and will submit, as part of  
35 Contractor's Annual Report, a report listing all new employee orientation activities  
36 for the preceding twelve (12) months.  
37

38 F. In-Service Training, Continuing Education and Driver Training - Contractor shall  
39 have a program for ensuring personnel are prepared to respond to emergency requests  
40 through in-service training, continuing education (CE) and Driver Training. As part  
41 of the annual report, according to **Exhibit E**, Contractor shall list offerings during the  
42 previous year.  
43

44 G. Preparation for Multi-Victim Response – Contractor shall ensure that all ambulance  
45 personnel/supervisory staff are trained and prepared to assume their respective roles  
46 and responsibilities under the County Multi-Casualty Medical Incident Response Plan  
47 (MCIP) as well as the County Disaster Plan. At a multi-victim scene, Contractor's  
48 personnel shall perform as part of the Incident Command System (ICS) structure and

1 in accordance with Standardized Emergency Management System (SEMS)  
2 legislation.

3  
4 County will provide current MCIP plan to Contractor and will notify Contractor of  
5 any changes to such plan.  
6

## 7 **5.2. Compensation/Working Conditions for Ambulance Personnel**

- 8  
9 A. Work Schedules and Conditions – At least 51% of the personnel who staff  
10 ambulances shall be full time employees. Contractor shall utilize reasonable work  
11 schedules and shift assignments to provide reasonable working conditions for  
12 ambulance personnel. Contractor shall ensure that ambulance personnel working  
13 extended shifts, part time jobs, voluntary or mandatory overtime, are not fatigued to  
14 an extent, which might impair their judgment or motor skills. Contractor shall  
15 demonstrate that these personnel are provided sufficient rest periods to ensure that  
16 personnel remain alert and well rested during work periods. As part of Contractor's  
17 Annual Report, Contractor shall submit an employee turnover report to the Contract  
18 Administrator.  
19
- 20 B. Compensation/Fringe Benefits – The County expects the Contractor to provide  
21 reasonable compensation and benefits in order to attract and retain experienced and  
22 highly qualified personnel. Wages and benefits for personnel shall be in accordance  
23 with the schedule in the union agreement. The County encourages the Contractor to  
24 establish creative programs that result in successful recruitment and retention of  
25 personnel. Contractor shall demonstrate, initially and throughout the term of  
26 Contract, that the compensation program provides the incentive to attract and retain  
27 skilled and motivated employees.  
28
- 29 C. New Employee Recruitment and Screening Process – Contractor shall operate an  
30 aggressive, stringent, and comprehensive program of personnel recruitment and  
31 screening designed to attract and select field personnel.  
32
- 33 D. Employee Records – Contractor shall maintain current records related to paramedic  
34 licensing, accreditation, certification, and continuing education. Contractor shall  
35 quarterly provide County with a list of EMT-P and EMT-I's currently employed by  
36 the Contractor. Information shall include, but not be limited to, name, address,  
37 telephone number, California paramedic license number, County Paramedic  
38 accreditation number, ACLS expiration date, CPR expiration date and California  
39 driver's license number. Information necessary to keep this list current shall be  
40 updated at least quarterly consistent with the ongoing reporting schedule in **Exhibit**  
41 **E**.  
42
- 43 E. Critical Incident Stress Debriefing (CISD) - The nature of work in emergency  
44 medical services produces stress in providers. The County prefers a CISD program  
45 that is integrated with programs used by other County prehospital personnel.  
46 Contractor shall maintain a critical incident stress-debriefing program and an on-  
47 going stress reduction program for its employees.  
48

1 **5.3. Safety and Infection Control**  
2

- 3 A. Contractor asserts that it is in compliance with applicable Cal/OSHA guidelines for  
4 safety and infection control, including blood-borne pathogens, and that there are no  
5 enforcement actions, litigation, or other legal or regulatory proceedings in progress or  
6 being brought against Contractor as a result of non-compliance with such guidelines.  
7 Contractor agrees to notify County immediately should the status of any of the  
8 assertions in this paragraph change or come into question.  
9
- 10 B. Contractor shall, upon request, furnish documentation satisfactory to County's Health  
11 Officer, of the absence of tuberculosis disease for any employee or volunteer who  
12 provides services under this Agreement.  
13
- 14 C. Contractor shall, upon request, furnish County a copy of their Communicable Disease  
15 Policy and any changes to that policy throughout the term of this Agreement.  
16

**SECTION 6**  
**QUALITY/PERFORMANCE**

**6.1. Continuous Quality Improvement Program**

A. CQI Program – Contractor shall establish a comprehensive continuous quality improvement (CQI) program approved by the County designed to interface with County's evolving CQI Program, including participation in system related CQI activities. The Contractor's CQI program shall be an organized, coordinated, multidisciplinary approach to the assessment of prehospital emergency medical response and patient care for the purpose of improving patient care service and outcome. The CQI program should not be limited to clinical functions alone. For example, response times should be addressed within the program as well as matters such as customer surveys and complaints. The program should include methods to measure performance, identify areas for improvement, and how such improvements can be implemented and then evaluated. The program shall describe customer services practices, including how customer satisfaction is determined and how customer inquiries/complaints are handled.

Prior to September 30, 2003 Contractor shall provide for Contract Administrator approval, a comprehensive continuous quality improvement (CQI) plan. As part of Contractor's Annual Report, Contractor shall submit an update to the County to show compliance with approved plan and areas for improvement.

B. Clinical Education Coordinator – Contractor will employ a Coordinator, to be dedicated to the Santa Cruz division not less than 70% of the time, to manage quality improvement and training programs. This Coordinator will be the key clinical liaison to the Santa Cruz County EMS System, working with paramedic first responder agencies and County committees to ensure system clinical excellence. This Coordinator will be responsible for the coordination and execution of all clinical education and training programs for Contractor.

C. Quality Leadership Council (QLC) – Contractor shall promote peer involvement throughout the EMS system, including Subcontractors. Contractor shall sponsor and promote a Quality Leadership Council comprised of at least two full-time paramedics appointed by the Contractor. The QLC role and function will include such activities as setting and improving standards for performance and system improvement, acting in an advisory capacity to the Contractor to review prospective, compulsory, and continuing education programs, and developing and following up on individual field instruction and performance improvement plans.

D. Inquiries and Complaints – Contractor shall provide prompt response and follow-up to inquiries and complaints.

E. Unusual Occurrences and Complaints – Contractor shall complete a report to the Contract Administrator or her/his designee within 48 hours by all parties involved in an unusual clinical occurrence as per County policy. Contractor shall immediately

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notify the Contract Administrator of potential violations of the California Health and Safety Code, California Code of Regulations Title 22, or local EMS agency policies.

The Contractor shall maintain a database of non-clinical unusual occurrences/complaints including tracking, trending and resolution. All billing complaints will also be included in the database. Contractor shall provide a report to Contract Administrator of all non-clinical complaints consistent with the quarterly report schedule in **Exhibit E**. Clinical unusual occurrences/complaints and non-clinical unusual occurrences/complaints will be tracked separately.

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## SECTION 7 DATA AND REPORTING

### 7.1. Data System Hardware and Software

Contractor and Subcontractors shall utilize County's electronic system for patient care reporting and shall complete Prehospital Care Reports according to County policy. The County shall provide and maintain the data system software. Users of the County's electronic data reporting system shall adhere to the County's Internet Usage Policy.

### 7.2. Use and Reporting Responsibilities

The EMS data system shall be used for documentation of patient medical records, continuous quality improvement, and reporting aggregate data as specified in the California Health and Safety Code.

The database system shall contain all EMS responses and patient records. These patient records shall contain a unique identifier for the patient (e.g., automated dispatch system call number), automated dispatch system information for the response, prehospital personnel for the response, patient information (e.g., name, address, insurance), patient history and physical findings, treatment rendered, disposition, emergency department outcome information. Contractor shall comply with the requirements for the PCR (patient care report) as identified in County policy.

The central repository for EMS data shall be at the EMS Agency office. Records contained within the database shall be secure and confidential. Access to actual database records shall be restricted to select entities (e.g., EMS program staff, Contractor's CQI designated personnel).

In order to facilitate Contractor's use of prehospital data for quality improvement and research purposes, County will provide Contractor Open Database Connectivity (ODBC) access with read-only permission and will supply a data dictionary, preferably using standard data definition language (DDL) or in best form subject to the limitations of the CACHE SQL capabilities. Best effort will be made by the County to provide access within 30 days of contract implementation.

### 7.3. Prehospital Care Reports

Contractor and Subcontractors shall complete appropriate documentation and Prehospital Care Reports according to County policy.

### 7.4. Audits and Inspections

At any time during normal business hours, and as often as may reasonably be deemed necessary, the County's representatives, including EMS Agency representatives and the EMS Medical Director, may observe the Contractor's operations. Additionally, the Contractor shall make available for their examination and audit all contracts (including union contracts),

1 invoices, materials, payrolls, inventory records, records of personnel (with the exception of  
2 confidential personnel records), daily logs, conditions of employment, excerpts of transcripts  
3 from such records, and other data related to all matters covered by this contract.  
4

5 County representatives, may, at any time, and without notification, directly observe  
6 Contractor's operation, ride as "third person" on any of the Contractor's ambulance units,  
7 provided however, that in exercising this right to inspection and observation, such  
8 representatives shall conduct themselves in a professional and courteous manner, shall not  
9 interfere in any way with Contractor's employees in the performance of their duties, and  
10 shall, at all times, be respectful of Contractor's employer/employee relationship.  
11

12 The County's right to observe and inspect Contractor's business office operations or records  
13 shall be restricted to normal business hours, except as provided above.  
14

15 **7.5. Health Insurance Portability and Accountability Act of 1996, Public Law 104-191**

16  
17 The County and Contractor shall enter into a Business Associate Agreement, as shown in  
18 **Exhibit M**, incorporated in this Contract in order to comply with the Health Insurance  
19 Portability and Accountability Act of 1996 (P.L. 104-191), 42 U.S.C. Section 1320d, et. seq.,  
20 and regulations promulgated thereunder, governing protected health information.  
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## SECTION 8 SUBCONTRACTS

### **8.1. General Subcontracting Provisions**

All subcontracts of Contractor for provision of services under this Agreement shall be notified of Contractor's relationship to County.

- A. Any subcontract, which is in excess of one thousand dollars (\$1,000), shall have prior written approval of the Contract Administrator.
- B. Contractor shall provide, upon request of County, copies of all subcontracts relating to this Agreement entered into by Contractor.
- C. Contractor has legal responsibility for performance of all contract terms including those subcontracted.
- D. Nothing in the Agreement, or in any Subcontract, shall preclude EMS Agency staff from monitoring the EMS activity of any Subcontractor.
- E. There shall be a section in each subcontract requiring prior approval from the County before any subcontract may be modified.
- F. The Contractor shall assure that the Subcontractors cooperate fully with the EMS Agency.
- G. In the event discrepancies or disputes arise between this Agreement and the subcontracts, the terms of this Agreement will prevail in all cases.

### **8.2. Relationships and Accountability**

Should the Contractor utilize one or more Subcontractors to provide any of the Contractor's primary responsibilities, the Contractor shall seek approval of the subcontract(s) from the County, and provide assurance to the County that each of the Subcontractor(s) is professionally prepared for and understands its role within the system.

- A. The Contractor shall provide clear evidence that the scope of service designed for the Subcontractor(s) will enhance system performance capability and provide a cost savings for the EMS System.
- B. If the subcontract(s) and associated scope of service is approved, the Contractor shall be accountable for the performance of the Subcontractor(s).
- C. The inability or failure of any Subcontractor to perform any duty or deliver contracted performance will not excuse the primary Contractor from any responsibility under this Agreement.
- D. The Contractor shall designate a management liaison to work with the EMS Agency in monitoring compliance of Subcontractors with contractual and system standards.

### **8.3. Performance Criteria**

All Subcontractors will be held to the same performance criteria as the primary Contractor, with respect to quality improvement activities, medical control, continuing education, and penalties for non-compliance.

- A. The Contractor shall ensure that Subcontractors pay penalties for late response times according to the terms of this Agreement as described in Section 10.



- 1 B. Subcontracts shall provide that paramedic and EMT first responders shall work  
2 cooperatively and supportively in the provision of care by the Contractor on-scene,  
3 and shall if requested by Contractor personnel, assist in providing care enroute to the  
4 hospital.  
5

6 **8.4. Funding for First Response**  
7

- 8 A. ALS First Responder Program Funding. Contractor shall pay Subcontractors in  
9 accordance with Section 8.4 (C) below for the ALS First Responder Program  
10 Services to be provided by Subcontractors under this Agreement. Payment for any  
11 other services to be rendered by Subcontractors under this Agreement shall be made  
12 in accordance with the terms of the "Prehospital Emergency Medical Services  
13 Agreement Between the Emergency Medical Services Integration Authority (EMSIA)  
14 and American Medical Response, West", and specifically Part Three (BLS Intercept  
15 Program) or Part Four (Supplemental Transport Program) of that Agreement, or by  
16 separate agreement between Subcontractors and Contractor and approved by County.  
17
- 18 B. Funding Mechanism For ALS First Responder Services. The parties acknowledge  
19 their understanding that the funding (hereinafter referred to as the Cost Differential)  
20 set forth in Section 8.4 (C) below was determined based on a mechanism developed  
21 after a careful review and analysis of the actual and potential costs of providing  
22 service(s) at level(s) determined by the County. The parties acknowledge that the  
23 compensation to be provided to Subcontractors for service under this Agreement is  
24 the lesser of the Cost Differential compared to the Subcontractor's costs and is  
25 intended to be based on the cost that Contractor would bear if it provided service at  
26 the level determined by the County, in the absence of this Agreement. Accordingly,  
27 the parties stipulate and agree that the compensation specified within this Agreement  
28 is the sole, complete and total amount of compensation to be provided by Contractor  
29 to Subcontractors for the delivery of EMS first responder services under this  
30 Agreement and the necessary elements of production whereby those services are  
31 provided, by Subcontractors, as defined therein. This provision relating to funding  
32 for ALS First Response applies only to Subcontractor agencies that provide  
33 paramedic first response.  
34
- 35 1. Under no circumstances will Contractor compensate Subcontractors in excess of  
36 the cost to the Subcontractors to provide first responder services or in excess of  
37 the Contractor's Cost Differential, as defined hereinafter, to provide ALS First  
38 Response with in-house resources.  
39
  - 40 2. If any Subcontractor Agency wishes to terminate its subcontract for first  
41 responder services, Contractor and Contract Administrator must receive such  
42 notice on or before August 15<sup>th</sup> each year. Such termination shall be effective on  
43 January 1<sup>st</sup> of that year. Any changes to ALS First Responder funding shall  
44 become effective on January 1<sup>st</sup> of that year as well.  
45
  - 46 3. On or before September 1st of each year, commencing May 1, 2004,  
47 Subcontractors shall submit a proposed ALS First Responder Program budget for  
48 the forthcoming fiscal year to Contractor and Contract Administrator and shall

1 notify Contractor and County if it is seeking to change the number of first  
2 responder agencies that receive funding. During the term of this Agreement, on  
3 or before September 1st of each year, commencing May 1, 2004, Subcontractors  
4 shall certify to Contract Administrator that the funding received for first  
5 responder services did not exceed the cost to the ALS First Responder Agency to  
6 provide ALS first responder services during the prior fiscal year. On or before  
7 October 1st each year, commencing June 1, 2004, Contractor shall certify to the  
8 County Contract Administrator that the amount of first responder funding paid to  
9 Subcontractors did not exceed Contractor's Cost Differential to provide those  
10 services. Contractor and Subcontractors shall provide documentation to support  
11 the certification of costs as requested by the County.  
12

13 4. During the term of this Agreement, on or before October 1<sup>st</sup> each year, Contractor  
14 shall provide to County Contract Administrator, as part of Contractor's  
15 submission of its proposed budget for the upcoming fiscal year, a good faith  
16 estimate, revised if necessary after due consideration of termination notices  
17 received from Subcontractors, of the Cost Differential to provide first responder  
18 services in the subsequent year.  
19

20 5. Annually, as a component of the Contractor's annual budget review process, the  
21 Contract Administrator, at her/his sole discretion, will approve the amount of the  
22 new Cost Differential to be used for First Responder funding. The First  
23 Responder Pool Fund shall be adjusted, based on the new Cost Differential, on  
24 January 1<sup>st</sup> each year.  
25

26 6. All subcontracts and amendments to subcontracts must be approved by the  
27 County prior to implementation. No agency may provide first responder  
28 paramedic services within the EOA during the term of this Agreement, except  
29 pursuant to a subcontract and/or other ALS agreement approved by the County.  
30

31 C. Base Funding. Contractor shall pay the sum of Two Hundred Nineteen Thousand  
32 Seven Hundred Twenty One Dollars (\$219,721), to Subcontractors annually, for ALS  
33 First Responder Services performed under this Agreement, subject to adjustment as  
34 set forth in Section 8.4 (B) (5) above.  
35

36 1. Payments shall be made in arrears in equal monthly installments with the first  
37 payment of \$18,310 being due and payable on October 1, 2003.  
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39 2. All payments shall be subject to penalty offset and annual adjustment as set forth  
40 above.  
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**SECTION 9**  
**ADMINISTRATIVE REQUIREMENTS**

**9.1. Performance Security**

Prior to commencement of operations, under the terms and conditions of this Agreement, Contractor shall obtain and maintain throughout the term of the contract performance security in the amount of \$500,000 in one of the following methods acceptable to the County.

- A. A performance bond issued by an admitted surety licensed in the State of California acceptable to County Counsel, provided that the language of such performance bond shall recognize and accept the contract's requirements for immediate release of funds to the County upon determination by the County that Contractor is in major breach and that the nature of the breach is such that the public health and safety are endangered, and recognizing that any legal dispute by the Contractor or the bonding company shall be initiated and resolved only after release of the performance security funds to the County; or
- B. An irrevocable letter of credit issued by a bank or other financial institution acceptable to the County in a form acceptable to County Counsel which shall recognize and accept the contract's requirements for immediate payment of funds to the County upon determination by the County that Contractor is in major breach and that the nature of the breach is such that the public health and safety are endangered, and recognizing that any legal dispute by the Contractor or the creditor shall be initiated and resolved only after release of the performance security funds to the County; or
- C. A combination of the above methods that is acceptable to the County.

The performance bond or irrevocable letter of credit furnished by the Contractor in fulfillment of this requirement shall provide that such bond or letter of credit shall not be canceled for any reason except upon thirty (30) calendar days written notice to the County of the intention to cancel said bond or letter of credit. The Contractor shall, not later than twenty (20) days following the commencement of the thirty-day notice period, provide the County with replacement security in a form acceptable to the County. In the event that the guarantor/surety is placed into liquidation or conservatorship proceedings, Contractor shall provide replacement security acceptable to County within twenty (20) days of such occurrence.

**9.2. Insurance**

Contractor, at its sole cost and expense, for the full term of this Agreement (and any extensions thereof), shall obtain and maintain at minimum compliance with all of the following insurance coverage(s) and requirements. Such insurance coverage shall be primary coverage as respects County and any insurance or self-insurance maintained by County shall be in excess of Contractor's insurance coverage and shall not contribute to it.

1 If Contractor utilizes one or more subcontractors in the performance of this Agreement,  
2 Contractor shall obtain and maintain Independent Contractor's Insurance as to each  
3 subcontractor or otherwise provide evidence of insurance coverage for each subcontractor  
4 equivalent to that required of Contractor in this Agreement.  
5

6 **A. Types of Insurance and Minimum Limits**

- 7 1. Worker's Compensation in the minimum statutorily required coverage  
8 amounts.
- 9 2. Automobile Liability Insurance for each of Contractor's vehicles used in the  
10 performance of this Agreement, including owned, non-owned (e.g. owned by  
11 Contractor's employees), leased or hired vehicles, in the minimum amount of  
12 \$1,000,000 combined single limit per occurrence for bodily injury and  
13 property damage with a \$10,000,000 umbrella policy.
- 14 3. Comprehensive or Commercial General Liability Insurance coverage in the  
15 minimum amount of \$1,000,000 combined single limit, with a \$10,000,000  
16 umbrella policy, including coverage for: (a) bodily injury, (b) personal injury,  
17 (c) broad form property damage, (d) contractual liability, and (e) cross-  
18 liability.
- 19 4. Professional Liability Insurance in the minimum amount of \$1,000,000  
20 combined single limit with a \$10,000,000 umbrella policy.

21  
22 **B. Other Insurance Provisions** - If any insurance coverage required in this Agreement is  
23 provided on a "Claims Made" rather than "Occurrence" form, Contractor agrees to  
24 maintain the required coverage for a period of three (3) years after the expiration of  
25 this Agreement (hereinafter "post agreement coverage") and any extensions thereof.  
26 Contractor may maintain the required post agreement coverage by renewal or  
27 purchase of prior acts or tail coverage. This provision is contingent upon post  
28 agreement coverage being both available and reasonably affordable in relation to the  
29 coverage provided during the term of this Agreement. For purposes of interpreting  
30 this requirement, a cost not exceeding 100% of the last annual policy premium during  
31 the term of this Agreement in order to purchase prior acts or tail coverage for post  
32 agreement coverage shall be deemed to be reasonable.  
33

34 **9.3. Business Office, Billing and Collection System**

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36 Contractor shall utilize a billing and collections system that is well-documented and easy to  
37 audit, which minimizes the effort required to obtain reimbursement from third party sources  
38 for which they may be eligible, and is capable of electronically filing Medicare and Medi-Cal  
39 billing claims.  
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**SECTION 10  
FISCAL REQUIREMENTS**

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**10.1. General Provisions**

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- A. As compensation for services, labor, equipment, supplies and materials furnished under this Agreement, Contractor shall collect revenues as permitted in this section.
  - B. All reports provided by Contractor shall be in accordance with Generally Accepted Accounting Principles and be based on an accrual system.
  - C. Fiscal year for reporting purposes of this Contract will be January 1st to December 31st.
  - D. Contractor shall maintain copies of all financial statements, records and receipts that support and identify operations for a minimum of five (5) years from the end of the reporting period to which they pertain. Contractor will provide County or their designee access to all records for analytical purposes.
  - E. Definitions and formulas pertinent to this section are found in **Exhibit L**.

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**10.2. Billing and Collections**

- A. Rates – Approved rates beginning September 1, 2003 are located in **Exhibit F**.
- B. Rate Adjustment – Contractor may request a rate increase during the Annual Budget process. County shall grant increases sufficient to meet the approved projected expenses plus profit (see 10.3 below) or will provide other relief to Contractor.

Mid-cycle rate adjustments to the ALS Base Rate will be allowed for decreases in revenue due to the Centers for Medicare and Medicaid Services (CMS) Medicare prescribed decrease in reimbursements in 2003 through 2006. The Contract Administrator may approve mid-cycle Medicare Rate Adjustment of up to:

\$ 27.09 on January 1, 2004  
\$ 49.66 on January 1, 2005  
\$ 50.73 on January 1, 2006

The Contract Administrator may approve rate increases up to 3% annually in addition to the Medicare Rate Adjustment described above with Board of Supervisors approval. If Contractor's prior year financial report shows excess revenues in excess of 10% of costs, the Board of Supervisors must approve all rate increases.

**C. Billing and Revenue**

- 1. Contractor agrees to bill all transports and medical care without discount of County approved rates except as provided herein.

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2. Contractor agrees that all revenue generated using personnel or equipment expensed as described in this Agreement, as well as the subsidy paid by North Monterey County will be credited to Santa Cruz County revenues.
  3. Any excess revenues shall be determined by the County Auditor-Controller for each contract year. For each contract year during which a CMS Medicare reduction in reimbursement is effective, twenty-five percent (25%) of any excess revenue accruing during any portion of the year prior shall be allocated to the Excess Revenue Account described below, and fifty percent (50%) of any such excess revenue shall be allocated as a rate subsidy and applied as set forth in subparagraph 10.2 (C) (4).
  4. In the rate calculation process for a rate increase during the annual budget process or at mid-cycle, excess revenues allocated as a rate subsidy, pursuant to subparagraph 10.2 (C) (3), shall be added as "other contract revenue", account number 4910 as reflected in Exhibit H.

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D. Compassionate Care Screening - in keeping with a commitment to meet the needs of the community, Contractor shall extend discounts in the form of a compassionate care allowance to those patients who have demonstrated an inability to pay for emergency medical transportation services. Contractor shall maintain a procedure, approved by the Contract Administrator, which provides administrative guidelines and a sliding scale of eligibility for screening such patients. Screening for eligibility shall be determined through a formula that considers annual gross income, out-of-pocket medical expenses and size of patient's immediate family. The current eligibility criteria are shown in **Exhibit G**.

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E. Medicare – Contractor shall accept Medicare and Medi-Cal assignment.

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### **10.3. Profit**

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A. Annual Profit – Contractor's annual profit will be capped at five (5) percent of net revenue. Upon implementation of an approved partnership with EMSIA, Contract Administrator may allow an annual profit of up to seven (7) percent of net revenue.

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B. General Administration and Indirect Expenses Cap – Allowable General Administration and Indirect Expenses will be the actual cost or up to a maximum of 13% of direct expenses as defined in **Exhibit L**.

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C. Excess Revenues

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1. Contractor and County agree that fifty percent (50%), of any excess revenues (as defined in **Exhibit L**) in any contract year shall be deposited into the Santa Cruz Excess Revenue Account unless a different percentage is specified in subparagraph 10.2 (C) (3). All funds deposited into the Santa Cruz Excess Revenue Account shall be disbursed by election of County as directed in paragraph 10.3 (C) (3) herein. Contractor agrees to deposit the foregoing

1 amount of excess revenues into the Santa Cruz Excess Revenue Account  
2 within thirty (30) calendar days after the County Auditor-Controller certifies  
3 and accepts the Year End Reconciliation of Contractor's Santa Cruz  
4 operations. Contractor shall give County prompt notice of each deposit into  
5 the Excess Revenue Account.  
6

- 7
- 8 2. The Santa Cruz Excess Revenue Account shall be held by a third party escrow  
9 entity as an interest bearing account. Any disbursement demand from the  
10 Excess Revenue Account shall be in writing and comply with the provisions  
11 of paragraph 10.3 (C) (3) herein. The fees for the escrow account shall come  
12 out of the Excess Revenue Account. Contractor agrees that the County's  
13 unilateral demand for payment to the third party escrow entity shall authorize  
14 the disbursement of funds from the Santa Cruz Excess Revenue Account  
15 without the written approval of Contractor, (1) in the event of a County  
16 request for disbursement to a nonprofit organization, as specified herein, or  
17 (2) in the event of a County request for disbursement for which Contractor has  
18 not submitted to escrow agent a written objection within twenty (20) days of  
19 the date of County's request.
- 20
- 21 3. Funds in the Santa Cruz Excess Revenue Account may only be used at the  
22 sole discretion of the County for legally permissible purposes which benefit  
23 the Santa Cruz County emergency medical services system or patients by  
24 improving the quality, efficiency and/or cost effectiveness of emergency  
25 medical services. Legally permissible purposes may include, but are not  
26 limited to, funding technological enhancements to the EMS/ambulance system  
27 (e.g. radio, communications and computers); offsetting increased dispatch  
28 service costs; funding large capital improvements (e.g. ambulances, crew  
29 quarters); converting ambulances to alternative fuels (e.g. propane, CNG);  
30 retaining consultants to evaluate the EMS system or alternative methods of  
31 service delivery; hardship subsidies to Contractor; or supporting one or more  
32 nonprofit organizations selected by the County, which are not a subsidiary of  
33 or controlled by the County, and which (1) are exempt from federal income  
34 tax under Section 501(c)(3) of the Internal Revenue Code, and (2) promote  
35 accident prevention, public health and safety or similar purposes.  
36 Notwithstanding the foregoing, no funds from the Santa Cruz Excess Revenue  
37 Account shall be used in a manner that either party reasonably believes may  
38 violate 42 U.S.C. Section 1320a-7b (Anti-kickback Statute). At least thirty  
39 (30) days prior to making any expenditure from the Santa Cruz Excess  
40 Revenue Account, County shall provide Contractor with written notice of the  
41 proposed expenditure, including any proposed expenditure described above,  
42 which notice shall include an escrow demand for payment consistent with the  
43 proposed expenditure. If Contractor reasonably believes that such  
44 expenditure, other than an expenditure to a non profit organization as  
45 described herein, may violate the Anti-Kickback Statute, it shall provide  
46 written notice to County and the escrow agent within twenty (20) days of the  
47 date of delivery of County's notice. Contractor's notice shall set forth the  
48 basis for its belief that the proposed expenditure may violate the Anti-  
Kickback Statute. If County and Contractor have a disagreement regarding

1 whether the proposed expenditure would violate the Anti-Kickback Statute,  
2 the parties shall request an advisory opinion from the Office of Inspector  
3 General of the Department of Health and Human Services or other applicable  
4 agency or, upon mutual agreement, may submit the issue to legal counsel  
5 jointly selected and retained by the parties to issue a binding or advisory  
6 opinion on the matter. The substance of the request for an OIG advisory  
7 opinion or any opinion sought from jointly retained legal counsel shall be  
8 agreed upon by both parties prior to its submission. The parties shall share  
9 equally the user fee charged by the OIG in seeking an advisory opinion. In the  
10 event such advisory opinion disapproves the proposed use and the parties are  
11 otherwise unable to agree upon an appropriate use, any amount in the Excess  
12 Revenue Account, at the sole discretion of County, may be paid to one or  
13 more nonprofit organizations selected by the County, which are not a  
14 subsidiary of or controlled by the County, and which (1) are exempt from  
15 federal income tax under Section 502(c)(3) of the Internal Revenue Code, and  
16 (2) promote accident prevention, public health and safety or similar purposes.  
17 In the event that the advisory opinion does not disapprove the proposed use,  
18 the escrow agent shall be authorized upon written notice by County to make  
19 the requested disbursement.  
20

#### 21 **10.4. Reporting Responsibilities**

- 22
- 23 A. **Annual Budget** – By June 1 of each year and consistent with the timeline shown in  
24 **Exhibit H**, Contractor will submit an annual budget including a capital-spending plan  
25 and a schedule of depreciation for all fixed assets. The budget will follow the Chart  
26 of Accounts format as shown in **Exhibit I**. Changes to the Chart of Accounts may be  
27 proposed by the Contractor and, if approved by the HSA Administrator and the  
28 Auditor-Controller, shall be incorporated into this Agreement by an amendment  
29 executed in compliance with Section 11.16.  
30

31 County will work with Contractor to arrive at an acceptable budget by December 31st  
32 each year. If Contractor fails to submit an annual budget by December 31st,  
33 Contractor may be considered in minor breach of contract and County will have 60  
34 days to review budget from submission before any rate increases will be considered.  
35

- 36 B. **Quarterly Reports** – Before the end of the following month of each quarter and  
37 consistent with the timeline shown in **Exhibit H**, Contractor shall submit monthly  
38 and year-to-date revenue and expenditure totals by account, following the Chart of  
39 Accounts format shown in **Exhibit I**. At the same time, Contractor shall also submit  
40 a schedule by service month of the previous twelve (12) months gross charges and  
41 payments received by payor group in a format approved by the Contract  
42 Administrator.  
43

- 44 C. **Third-Party Payor Collection** - During any consecutive three (3) month period, if the  
45 average expected collections (as approved in the Annual Budget) fall more than two  
46 (2) percentile points below the projected collection rate for any payor group the  
47 County may request an evaluation of the cause.  
48



- 1 D. Year-End Financial Report – On or before April 1st each year and consistent with the  
 2 timeline shown in **Exhibit H**, Contractor shall submit to the Contract Administrator  
 3 and the County Auditor-Controller:
- 4 1. An annual statement of revenue and expenditure totals by account in  
 5 accordance with the chart of accounts and reimbursement terms of this  
 6 contract.
  - 7 2. Complete audited financial statements report of the local operation to include:
    - 8 a. A balance sheet, statement of revenues and expenses, and any other  
 9 statements and disclosures required in accordance with generally  
 10 accepted accounting principles (GAAP).
    - 11 b. A report on Contractor’s compliance with specified provisions of the  
 12 agreement (See **Exhibit K**).
    - 13 c. A management letter from the independent auditor.
  - 14 3. Additional information to include:
    - 15 a. Reconciliation of differences between internal and external reports.
    - 16 b. Contractor’s general ledger for local operations.
    - 17 c. Accounts receivable activity, patient billings and detailed support for  
 18 all adjustments and write-offs.
    - 19 d. Detailed information and support documentation for all financial  
 20 reports.
    - 21 e. Detailed activity and accounting information and supporting  
 22 documentation for any revenue generated by personnel and equipment  
 23 expensed in this Agreement.
- 24 E. Audit – Assuming County is in receipt of all requested documentation by April 1st  
 25 Contract Administrator shall cause an audit to be completed by August 31st. The  
 26 actual cost of the audit, not to exceed \$15,000 shall be charged to the Contractor.  
 27 County and Contractor agree that making timely requests for information is essential  
 28 for meeting such timelines.

29  
 30 **10.5. Penalties, Fees and Bonuses**

- 31
- 32 A. Penalty for Failure to Meet Response Time Standard – Contractor shall pay County  
 33 \$30.00 for each ALS and transport response that does not meet the response time  
 34 standards including the Contractor’s use of mutual aid resources within the EOA if  
 35 not during a declared disaster or MCI.
  - 36
  - 37 B. Bonus for Exceeding Response Time Standard – For every contract month that the  
 38 Contractor’s final response time performance meets the thresholds listed below, the  
 39 County will reduce the total per-call penalties for that month by the percentage bonus  
 40 listed below.
- 41

Percentage Compliance	Bonus
92.0 to 93.9	25%
94.0 to 95.9	50%
96.0 to 97.9	75%
98.0 to 99.9	100%

1 C. Penalty for Failure to Leave Appropriate Documentation -- Penalties for failure to  
2 leave appropriate documentation, as defined in County policy, are \$5.00 per  
3 document. Penalties for compliance below 90% will be \$200.00 plus initiation of  
4 Minor Breach.

5  
6 D. Payment Methodology – County will make final penalty determinations and invoice  
7 the Contractor (and the Contractor shall inform the Subcontractors) of the fines  
8 incurred on a monthly basis. Contractor shall pay County all Contractor and  
9 Subcontractor penalty assessments on a quarterly basis as follows:  
10

<b>Quarter</b>	<b>County Invoice Date</b>	<b>Penalty Assessment Due</b>
January 1st –March 31st	April 10th	April 30th
April 1st –June 30th	July 10th	July 31st
July 1st –September 30th	October 10th	October 31st
October 1st –December 31st	January 10th	January 31st

11  
12 E. Start Up -- Payment of penalties for response time performance shall be phased in  
13 during the first ninety (90) days of this Agreement. Contractor shall ensure forty  
14 percent (40%) of the penalties assessed to Contractor and Subcontractors in the first  
15 month are paid, sixty percent (60%) in the second month; and, eighty percent (80%)  
16 in the third month. After this phase in period, 100% of all penalties assessed shall be  
17 paid.  
18

19 F. Use of Penalty Monies – Penalty monies shall be expended in a manner that benefits  
20 the EMS system as determined in the sole discretion of the County. The EMS  
21 Administrator may seek recommendations from the Technical Advisory Group  
22 (TAG) prior to making a recommendation to the Contract Administrator, who shall  
23 make the final determination.  
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**SECTION 11**  
**GENERAL CONTRACT REQUIREMENTS**

**11.1. Contract Termination**

- A. Without Cause – Either party may terminate the contract at any time without cause upon one hundred and eighty (180) calendar days advance written notice to the other. Prior to giving such notice, the terminating party shall notify the other party of its intention to terminate and shall allow the other party an opportunity to meet and confer with the terminating party concerning such notice of termination.
- B. Minor Breach – Except for Failure to Leave Appropriate Documentation as described in Section 5.3, the County may impose a penalty, not to exceed five hundred (\$500.00) for each Minor Breach of the contract that has not been cured within thirty (30) days from date of official notice being given by the County or designee.

“Minor Breaches” shall be defined as failure to fulfill any of the terms and conditions of this Agreement, which do not amount to a “Major Breach”, as, that term is defined below.

Before fines for Minor Breach are imposed, the Health Services Agency Administrator, or designee, shall give the Contractor written notice of the alleged Minor Breach and thirty days to cure the breach or otherwise respond to the allegations of breach.

- C. Termination For Cause – County may terminate the contract at any time for cause for major breach of its provisions affecting the public health and safety, consistent with the provisions herein.

“Major Breach” shall be defined as:

1. Failure of Contractor to operate its ambulances and emergency medical services program in a manner which enables the County and the Contractor to remain in substantial compliance with the requirements of Federal, State, and local laws, rules and regulations.
2. Willful material falsification of information supplied by the Contractor in its proposal and during the consideration, implementation, and subsequent operation of its ambulance and emergency medical services program, including, but not limited to, dispatch data, patient reporting data, and response time performance data, as relates to the contract;
3. Chronic or persistent failure of the Contractor’s employees to conduct themselves in a professional and courteous manner where reasonable remedial action has not been taken by the Contractor;
4. Failure to comply with the response time performance requirements for two consecutive months, or for any three months in a calendar year, shall be a

1 "Minor Breach" of this Agreement. Failure to comply with these response  
2 time performance requirements for three consecutive months, or for any four  
3 months in a calendar year, shall be a "Major Breach" of this Agreement.  
4

- 5 5. Failure to substantially and consistently meet or exceed the various clinical  
6 and staffing standards required herein and accepted by the County;  
7
- 8 6. Failure to participate in the established Continuous Quality Improvement  
9 program of the Santa Cruz County EMS Agency, including, but not limited to  
10 investigation of incidents and implementing prescribed corrective actions;  
11
- 12 7. Failure to maintain equipment or vehicles in accordance with good  
13 maintenance practices, or to replace equipment or vehicles in accordance with  
14 Contractor's submitted and accepted Equipment Replacement Policy, except  
15 as extended use of such equipment is approved by the County as provided for  
16 herein;  
17
- 18 8. Chronic or persistent failure to comply with conditions stipulated by the  
19 County to correct any "Minor Breach" conditions;  
20
- 21 9. Failure of the Contractor to cooperate with and assist the County in the  
22 investigation or correction of any "Minor or Major Breach" of the terms of  
23 this Agreement;  
24
- 25 10. Failure by Contractor to cooperate with and assist the County in its takeover  
26 or replacement of Contractor's operations after a Major Breach has been  
27 declared by the County, as provided for herein, even if it is later determined  
28 that such default never occurred or that the cause of such default was beyond  
29 Contractor's reasonable control;  
30
- 31 11. Failure to assist in the orderly transition, or scaling down of services upon the  
32 end of the exclusive operating area agreement if a subsequent EOA agreement  
33 with Contractor is not awarded;  
34
- 35 12. Failure to comply with required payment of fines or penalties within thirty  
36 (30) days written notice of the imposition of such fine or penalty;  
37
- 38 13. Failure to maintain in force throughout the term of this Agreement, including  
39 any extensions thereof, the insurance coverage required herein;  
40
- 41 14. Failure to maintain in force throughout the term of this Agreement, including  
42 any extensions thereof, the performance security requirements as specified  
43 herein;  
44
- 45 15. Willful attempts by Contractor to intimidate or otherwise punish employees  
46 who desire to interview with or to sign contingent employment agreements  
47 with competing Contractors during a subsequent bid cycle;

- 1 16. Any willful attempts by Contractor to intimidate or otherwise punish or  
2 dissuade personnel in cooperating with or reporting concerns, deficiencies,  
3 etc., to the Santa Cruz County EMS Agency;  
4  
5 17. Any other willful acts or omissions of the Contractor that endanger the public  
6 health and safety; and,  
7  
8 18. Failure to prepare and submit the required Year End Financial Report, the  
9 independent audit and the management letter within ten (10) days after the due  
10 date; and,  
11  
12 19. Failure to pay all excess revenues due into the Santa Cruz Excess Revenues  
13 account as required by 10.3 (C) (1).  
14

15 **D. Declaration of Major Breach and Takeover/Replacement Service** – If the County  
16 Board of Supervisors determines that a Major Breach has occurred, and that the  
17 nature of the breach is, in the County’s reasonable opinion, such that the breach  
18 constitutes a serious and immediate threat to public health and safety, and after  
19 Contractor has been given notice and reasonable opportunity to correct such  
20 deficiency, Contractor shall cooperate completely and immediately with the County  
21 to effect a prompt and orderly takeover or replacement by the County of Contractor’s  
22 Santa Cruz County operations.  
23

24 **E. Emergency Takeover/Replacement Service** -- Immediately upon notification by  
25 County that it has determined that a major breach has occurred and that said breach  
26 constitutes a serious and immediate threat to public health and safety as provided in  
27 subsection 11.1 (D) above, all of the Contractor’s vehicles and related property,  
28 including, but not limited to, medical equipment, supplies and facilities necessary for  
29 performance of services shall be deemed leased to the County until permanent  
30 disposition of the situation has been achieved. The Contractor shall promptly deliver  
31 such vehicles, equipment, supplies and facilities to the control of the County  
32 including, but not limited to, all front line and reserve vehicles used in Santa Cruz  
33 County, sites used to house equipment, staff, and communications equipment used in  
34 providing EMS services. Each ambulance shall be equipped, at a minimum with the  
35 equipment and supplies necessary for the operation of an ALS ambulance in  
36 accordance with the County ALS policies and procedures and supplies shall include  
37 the supplies necessary for the minimum stocking levels of an ALS ambulance.  
38

39 The Contractor shall be required to deliver the above delineated vehicles and  
40 equipment to the County in mitigation of any damages to the County resulting from  
41 Contractor’s breach. The County shall pay monthly rent to the Contractor equal to  
42 the fair market value for the use of the facilities, equipment or vehicles used in the  
43 performance of this Agreement as hereinafter defined. “Fair market value” shall be  
44 deemed to be equal to the aggregate monthly amount of the Contractor’s debt service  
45 for all facilities, equipment or vehicles used in the performance of this Agreement  
46 that are being financed to a purchase or lease schedule as documented by the  
47 Contractor at the Contract Administrator’s request, and verified by the County.  
48 Payments for use of Contractor’s other vehicles and equipment shall be based on the

1 fair market value thereof, taking into account the age and condition of the items and  
2 using a monthly payment schedule that is based on an interest free amortization  
3 schedule for the then current anticipated useful life of the equipment which in no  
4 event shall be longer than the life remaining on the Contractor's depreciation  
5 schedule determined in accordance with GAAP.

6  
7 The County shall disburse any payments that are made to either the Contractor or the  
8 Contractor's obligee during the takeover period. Such payments shall be made within  
9 thirty (30) days of takeover and every thirty (30) days thereafter. The County shall  
10 also be entitled to utilize, for payments equal to Contractor's cost, all other services  
11 and supplies of the Contractor or available to the Contractor not previously addressed  
12 including billing, maintenance, administrative consulting and management services.  
13 The Contractor shall assign all applicable service, supply or other agreements to the  
14 County.

15  
16 F. Dispute After Takeover/Replacement – Such takeover/replacement shall be effected  
17 within 72 hours after finding of Major Breach by the County Board of Supervisors  
18 meeting the criteria for takeover/replacement. Contractor shall not be prohibited from  
19 disputing any such finding of such breach through litigation, provided, however, that  
20 such litigation shall not have the effect of delaying, in any way, the immediate  
21 takeover/replacement of operations by the County. Neither shall such dispute by the  
22 Contractor delay the County's access to Contractor's performance security.

23  
24 Any legal dispute concerning a finding of breach shall be initiated only after the  
25 emergency takeover/replacement has been completed. The Contractor's cooperation  
26 with, and full support of, such emergency takeover/replacement process, as well as  
27 the immediate release of performance security funds to the County, shall not be  
28 construed as acceptance by Contractor of the finding of major default, and shall not in  
29 any way jeopardize the Contractor's right to recovery should a court later determine  
30 that the declaration of major default was in error. However, failure on the part of the  
31 Contractor to cooperate fully with the County to effect a safe and orderly  
32 takeover/replacement of services shall itself constitute a major breach under the terms  
33 of the contract, even if it is later determined that the original declaration of major  
34 breach was made in error.

35  
36 G. Breach Not Dangerous to Public Health and Safety – If the County declares the  
37 Contractor to be in breach on grounds other than performance deficiencies dangerous  
38 to public health and safety, the Contractor may dispute the County's claim of major  
39 breach prior to termination of this Agreement.

40  
41 H. Liquidated Damages – The unique nature of the services that are the subject of the  
42 contract requires that, in the event of major default of a type that endangers the public  
43 health and safety, the County must restore services immediately, and the Contractor  
44 must cooperate fully to effect the most orderly possible takeover/replacement of  
45 operations. In the event of such a takeover/replacement of Contractor's operations by  
46 the County it would be difficult or impossible to distinguish the cost to the County of  
47 effecting the takeover/replacement, the cost of correcting the default, the excess  
48 operating cost to the County during an interim period, and cost of recruiting a

1 replacement Contractor from the normal cost to the County that would have occurred  
2 even if the default had not occurred. Similarly, if takeover/replacement costs and  
3 interim operating costs are high, it would be impossible to determine the extent to  
4 which such higher costs were the result of Contractor's default or from faulty  
5 management of the County's costs during takeover and interim operations.  
6

7 For these reasons, this liquidated damages provision is a fair and necessary part of  
8 this Contract. The minimum amount of these additional costs to the County (e.g.,  
9 costs in excess of those that would have been incurred by the County if the default  
10 had not occurred) could be not less than \$300,000 even assuming County's  
11 takeover/replacement management team is fully competent to manage the previously  
12 contracted functions.  
13

14 Therefore, in the event of such a declared major breach, the Contractor shall pay  
15 County liquidated damages in the amount of \$300,000.  
16

17 I. County Responsibilities – In the event of termination, County shall be responsible for  
18 complying with all laws, if any, respecting reduction or termination of prehospital  
19 medical services.  
20

21 J. "Lame Duck" Provisions – If the Contractor fails to win the bid in a subsequent bid  
22 cycle, the County shall depend upon the Contractor to continue provision of all  
23 services required under the contract until the winning Contractor takes over  
24 operations. Under these circumstances, the Contractor would, for a period of several  
25 months, serve as a "lame duck". To ensure continued performance fully consistent  
26 with the requirements of the contract throughout any such "lame duck" period, the  
27 following provisions shall apply:  
28

29 Throughout such "lame duck" period, the Contractor shall continue all operations and  
30 support services at substantially the same levels of effort and performance as were in  
31 effect prior to the award of the subsequent contract to the subsequent winning  
32 Contractor;  
33

34 The Contractor shall make no changes in methods of operation that could reasonably  
35 be considered aimed at cutting Contractor's service and operating costs to maximize  
36 profits during the final stages of the contract;  
37

38 The Contractor may reasonably begin to prepare for transition of service to the new  
39 Contractor during the "lame duck" period, and the County shall not unreasonably  
40 withhold its approval of the outgoing Contractor's requests to begin an orderly  
41 transition process, including reasonable plans to relocate staff, scale down certain  
42 inventory items, etc., so long as such transition activities do not impair the  
43 Contractor's performance during such "lame duck" period, and so long as such  
44 transition activities are prior-approved by the County.  
45

## 46 11.2. Indemnification For Damages, Taxes And Contributions

47

48 Contractor shall exonerate, indemnify, defend, and hold harmless County from and against:

1 Any and all claims, demands, losses, damages, defense costs, or liability of any kind or  
2 nature which County may sustain or incur or which may be imposed upon it for injury to or  
3 death of persons, or damage to property as a result of, arising out of, or in any manner  
4 connected with the Contractor's performance under the terms of this Agreement, excepting  
5 any liability arising out of the sole negligence of the County. Such indemnification includes  
6 any damage to the person(s), or property(ies) of Contractor and third persons.

7  
8 Any and all Federal, State and Local taxes, charges, fees, or contributions required to be paid  
9 with respect to Contractor and Contractor's officers, employees and agents engaged in the  
10 performance of this Agreement (including, without limitation, unemployment insurance,  
11 social security and payroll tax withholding).

12  
13 **11.3. Equal Employment Opportunity**

14  
15 During and in relation to the performance of this Agreement, Contractor agrees as follows:

16  
17 Contractor shall not discriminate against any employee or applicant for employment because  
18 of race, color, religion, national origin, ancestry, physical or mental disability, medical  
19 condition (cancer related), marital status, sexual orientation, age (over 18), veteran status,  
20 gender, pregnancy, or any other non-merit factor unrelated to job duties. Such action shall  
21 include, but not be limited to, the following: recruitment; advertising; layoff or termination;  
22 rates of pay or other forms of compensation; and selection for training (including  
23 apprenticeship), employment, upgrading, demotion, or transfer. The Contractor agrees to post  
24 in conspicuous places, available to employees and applicants for employment, notice setting  
25 forth the provisions of this non-discrimination clause.

26  
27 The Contractor shall, in all solicitations or advertisements for employees placed by or on  
28 behalf of the Contractor, state that all qualified applicants will receive consideration for  
29 employment without regard to race, color, religion, national origin, ancestry, physical or  
30 mental disability, medical condition (cancer related), marital status, sex, sexual orientation,  
31 age (over 18), veteran status, pregnancy, or any other non-merit factor unrelated to job duties.  
32 In addition, the Contractor shall make a good faith effort to consider  
33 Minority/Women/Disabled Owned Business Enterprises in Contractor's solicitation of goods  
34 and services. Definitions for Minority/Women/Disabled Business Enterprises are available  
35 from the County General Services Purchasing Division.

36  
37 As part of the Contractor's Annual Report, the Contractor shall furnish County Equal  
38 Employment Opportunity Office information and reports in the prescribed reporting format  
39 (PER 4012) identifying the sex, race, physical or mental disability, and job classification of  
40 its employees and the names, dates and methods of advertisement and direct solicitation  
41 efforts made to subcontract with Minority/Women/Disabled Business Enterprises.

42 In the event of the Contractor's non-compliance with the non-discrimination clauses of this  
43 Agreement or with any of the said rules, regulations, or orders said Contractor may be  
44 declared ineligible for further agreements with the County.

45  
46 The Contractor shall cause the foregoing provisions of this section to be inserted in all  
47 subcontracts for any work covered under this Agreement by a subcontractor compensated  
48 more than \$50,000 and employing more than fifteen (15) employees, provided that the



1 foregoing provisions shall not apply to contracts or subcontracts for standard commercial  
2 supplies or raw materials.

3  
4 **11.4. Independent Contractor**

5  
6 It is agreed that Contractor shall perform as an independent contractor under this Agreement.  
7 Contractor is, for all purposes arising out of this Agreement, an independent contractor, and  
8 shall not be deemed an employee of the County. It is expressly understood and agreed that  
9 the Contractor and its employees shall in no event be entitled to any benefits to which County  
10 employees are entitled, including, but not limited to, overtime, any retirement benefits,  
11 worker's compensation benefits, and injury leave or leave benefits. The Board of  
12 Directors/Trustees of Contractor shall be vested with the responsibility for the administration  
13 of the program to be conducted under this Agreement.

14  
15 By their signatures to this Contract, each party certifies that it is his or her considered  
16 judgment that the Contractor engaged under this Contract is in fact an independent  
17 contractor.

18  
19 **11.5. Confidentiality Of Records**

20  
21 Contractor agrees that all information and records obtained in the course of providing  
22 services to County in the program shall be subject to confidentiality and disclosure  
23 provisions of applicable Federal and State statutes and regulations adopted pursuant thereto.  
24 Contractor agrees that it has a duty and responsibility to make available to the County  
25 Administrator or his/her designated representatives, including the Auditor-Controller of the  
26 County, the contents of records pertaining to County which are maintained in connection  
27 with the performance of Contractor's duties and responsibilities under this Agreement,  
28 subject to the provisions of the heretofore mentioned Federal and State statutes and  
29 regulations. The County acknowledges its duties and responsibilities regarding such records  
30 under such statutes and regulations

31  
32 **11.6. Assignability**

33  
34 The Contractor shall not assign any interest in this Agreement, and shall not transfer any  
35 interest in the same (whether by assignment or novation), without the prior written consent of  
36 the County thereto; provided, however, that claims for money due or to become due to  
37 Contractor from County under this Agreement may be assigned without such approval.  
38 Notice of any assignment or transfer shall be furnished promptly to County.

39  
40 **11.7. Interest Of Contractor**

41  
42 Contractor covenants that it presently has no interest, including but not limited to, other  
43 projects or independent contractors, and shall not acquire any such interest, direct or indirect,  
44 which would conflict in any manner or degree with the performance of services required to  
45 be performed under this Agreement. Contractor further covenants that in the performance of  
46 this Agreement no person having any such interest shall be employed or retained by him  
47 under this Agreement.

1 **11.8. Political Activities Prohibited**

2  
3 None of the funds, provided directly or indirectly, under this contract shall be used for any  
4 political activities or to further the election or defeat of any candidate for public office. No  
5 Contractor shall utilize or allow its name to be utilized in any endorsement of any candidate  
6 for elected office. Neither the contract nor any funds provided thereunder shall be utilized in  
7 support of any partisan political activities for or against the election of candidates for an  
8 elected office.

9  
10 **11.9. Lobbying**

11  
12 None of the funds provided under this contract shall be used for publicity or propaganda  
13 purposes designed to support or defeat any legislation pending before State or Federal  
14 legislatures or the Board of Supervisors of the County to an extent other than allowed under  
15 applicable federal tax regulations for tax exempt corporations pursuant to 26 C.F.R., Section  
16 501(c)(3)ib(3).

17  
18 **11.10. Conformance To Regulations**

19  
20 Contractor shall perform this Agreement in conformance with all applicable Federal, State  
21 and local rules and regulations, including applicable facility and professional licensure and/or  
22 certification laws.

23  
24 **11.11. Conformance To Law**

25  
26 This Agreement shall be construed and interpreted according to the laws of the State of  
27 California, the United States of America and the ordinances of the County of Santa Cruz.

28  
29 **11.12. Monitoring**

30  
31 Contractor agrees that County shall have the right to monitor the services provided under this  
32 Agreement. Monitoring shall be conducted according to standards and guidelines as set forth  
33 by State and County requirements. Contractor agrees to provide County's Administrator, or  
34 his/her designee, with access to all applicable files and records as may be necessary to  
35 monitor the services according to the standards or guidelines described above.

36  
37 **11.13. Reports**

38  
39 Contractor shall submit written reports of operations, and other reports as requested by  
40 County according to the table shown in **Exhibits B** and **E**. The format for the content of  
41 such reports will be developed by County in consultation with Contractor. Reports shall be  
42 submitted to Contract Administrator.

43  
44 **11.14. Ownership, Publication, Reproduction And Use Of Material**

45  
46 All reports, studies, information, data, statistics, forms, designs, plans, procedures, systems,  
47 and any other material or properties produced under this Agreement shall be the property of  
48 County. No such materials or properties produced in whole or in part under this Agreement

1 shall be subject to private use, copyright or patent right by Contractor in the United States or  
2 in any other country without the express written consent of the County. County shall have  
3 unrestricted authority to publish, disclose, distribute and otherwise use copyright or patent  
4 right by Contractor in the United States or in any other country without the express written  
5 consent of the Contractor. County shall have unrestricted authority to publish, disclose,  
6 distribute and otherwise use copyright or patent, in whole or in part, any such reports,  
7 studies, data, statistics, forms or other materials or properties produced under this Agreement.  
8

#### 9 **11.15. Evaluation/Research**

10  
11 Evaluation or research involving contact with past or present recipients of services provided  
12 under this Agreement shall be permitted with the informed consent of the recipient and only  
13 after the Contractor has determined that the conduct of such evaluation or research will not  
14 adversely affect the quality of services provided or individual participation in services.  
15 County reserves the right to prohibit or terminate evaluation or research activities, which in  
16 its judgment jeopardize the quality of services or individual participation in services,  
17 provided under this Agreement.  
18

#### 19 **11.16. Changes**

20  
21 County may from time to time request changes in the scope of the services of Contractor to  
22 be performed hereunder. Such changes, including any increase or decrease in the amount of  
23 Contractor's compensation, which are mutually agreed upon by and between County and  
24 Contractor, shall be effective when incorporated in written amendments in this Agreement.  
25 No alteration, amendment, or modification of the terms of this Agreement shall be valid  
26 unless executed by written amendment hereto and approved by County.  
27

28 Amendments or modifications to the provisions of this Agreement, including its term, may  
29 be initiated by either party and may be incorporated into this Agreement if it is in writing and  
30 approved by the parties.  
31

#### 32 **11.17. Retention And Audit Of Records**

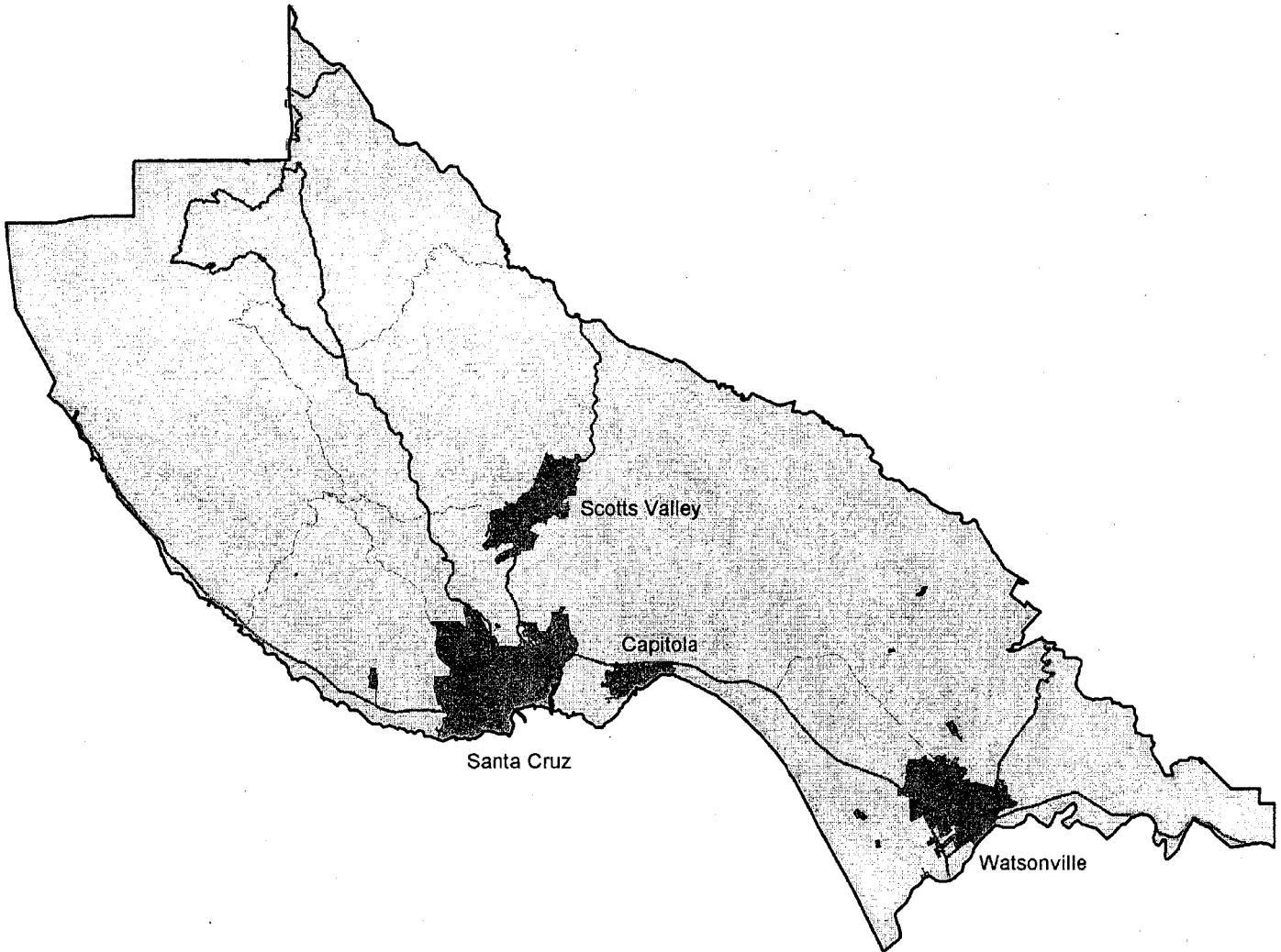
33  
34 Contractor shall retain records pertinent to this Agreement for a period of not less than five  
35 (5) years after final payment under this Agreement or until a final audit report is accepted by  
36 County, whichever occurs last. Contractor hereby agrees to be subject to the examination  
37 and audit by the Santa Cruz County Auditor-Controller, the Auditor General of the State of  
38 California, federal auditors or the designee of either for a period of five (5) years after final  
39 payment under this Agreement.  
40

**SECTION 12  
EXHIBITS**

<b>Exhibit</b>	<b>Title</b>
A	EOA Map
B	Initial Reporting Requirements
C	Deployment Map
D	Response Time Map
E	Ongoing Reporting Requirements
F	Santa Cruz County Rates
G	Sample Sliding Scale Procedure
H	Fiscal Timelines
I	Chart of Accounts
J	Depreciation Table
K	Auditor Compliance Report
L	Definitions
M	Business Services Agreement

# EXHIBIT A

## EOA Map



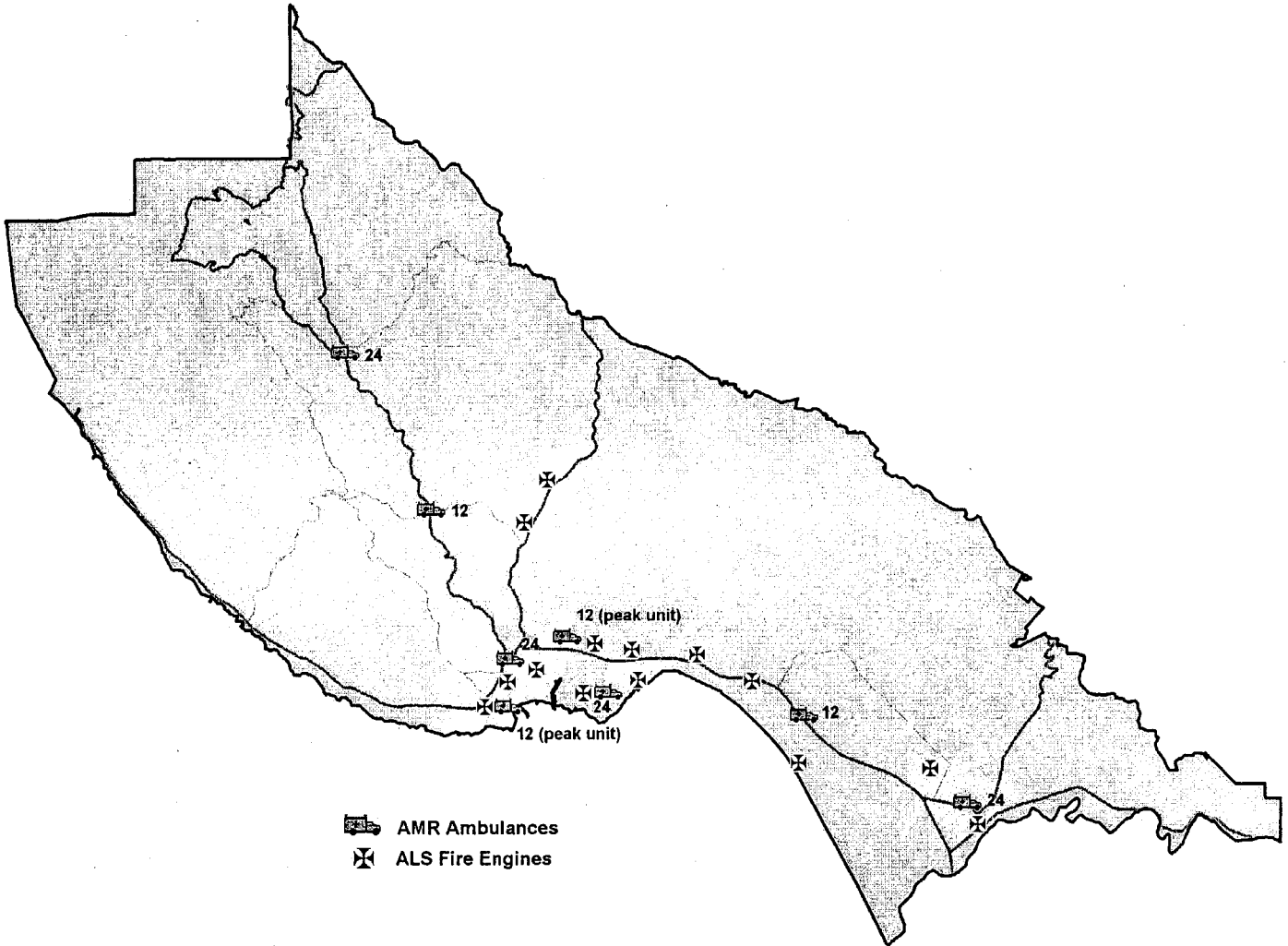
# EXHIBIT B

## Initial Reporting Requirements

<b>Report Name</b>	<b>Due Date</b>	<b>Responsible</b>	<b>Submit To</b>
Controlled Substances Plan	September 1, 2003	AMR	Contract Administrator
Deployment Plan	September 1, 2003	AMR	Contract Administrator
MCIP Plan	September 1, 2003	County	AMR
Vehicle List	September 1, 2003	AMR	Contract Administrator
CQI Program	September 30, 2003	AMR	Contract Administrator
New Employee Orientation Program	September 30, 2003	AMR	Contract Administrator
Plan to Promote Bilingual Skills	September 30, 2003	AMR	Contract Administrator

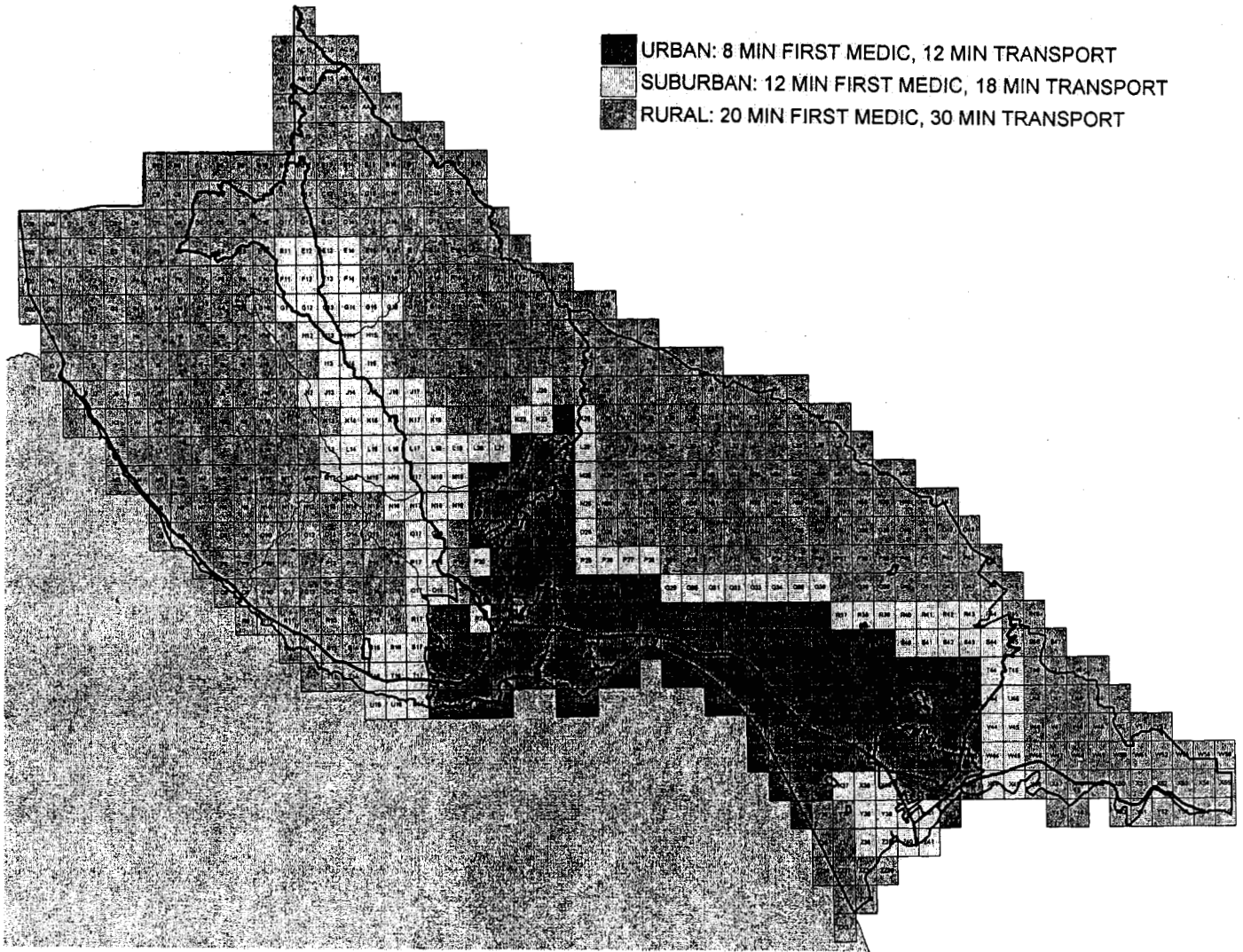
# EXHIBIT C

## Deployment Map



# EXHIBIT D

## Response Time Map





## EXHIBIT E

### Ongoing Reporting Requirements

Report Name	Due Date	Frequency	Responsible	Submit To
Deployment Plan Changes	30 days prior to change unless emergency adjustment	As Needed	AMR	EMS Administrator
Unusual Occurrences, Clinical	Within 48 hours	As Needed	AMR	EMS Administrator
Exemption Request	20 business days	Monthly	AMR	EMS Administrator
Response Time Performance Report	20 business days	Monthly	AMR	EMS Administrator
Penalty Invoices	10 <sup>th</sup> of the month following quarter	Quarterly	County	AMR
Complaints, non-clinical	January 1st April 1st July 1st October 1st	Quarterly	AMR	Contract Administrator
Employee Records	January 1st April 1st July 1st October 1st	Quarterly	AMR	Contract Administrator
CQI Program Activities	January 31st	Annually	AMR	Contract Administrator
Community Education	January 31st	Annually	AMR	Contract Administrator
Controlled Substances Compliance	January 31st	Annually	AMR	Contract Administrator
Employee Turnover Report	January 31st	Annually	AMR	Contract Administrator
New Employee Orientation Activities	January 31st	Annually	AMR	Contract Administrator
In-service Training Offerings	January 31st	Annually	AMR	Contract Administrator
Vehicle List /Equipment Replacement Plan	January 31st	Annually	AMR	Contract Administrator
Vehicle Maintenance	January 31st	Annually	AMR	Contract Administrator

# EXHIBIT F

## Santa Cruz County Rates

ALS BASE RATE	836.00	GLUCAGON	271.88
ALS MILEAGE	21.53	HEPA MASK MED/LARGE	19.93
AMB MILEAGE TO SNF	21.53	INTUBATION SUPPLIES**	296.27
ADDITIONAL MILEAGE	21.53	IO SUPPLIES	98.07
ADENOSINE	126.76	IRRIGATION FLUID	4.79
AIRWAY /ORAL	7.69	LASIX	19.94
AIRWAY/NASAL	15.21	LIDOCAINE 200	21.90
ALBUTEROL NEBULIZER**	34.66	LIDOCAINE DRIP	29.32
ARM BOARDS LONG	2.66	MORPHINE	21.40
ARM BOARDS SHORT	2.66	NARCAN	24.19
ASPIRIN	0.12	NITROGLYCERINE	8.96
ATROPINE	20.53	NITROSPRAY	8.96
ATROPINE 8MG	22.52	NON-REBREATHER MASK	7.84
BANDAGES ROLLER	3.92	NORMAL SALINE INFUSION**	81.30
BANDAGES TRIANGULAR	7.87	OB PACK	58.24
BED PAN	7.78	OXYGEN	76.79
BENADRYL	30.05	OXYGEN MASK/CANNULA	7.99
BLANKET, DISPOSABLE	15.21	PETROLEUM GAUZE PADS	4.96
BLOOD GLUCOSE TEST	20.56	PITOCIN (OXYTOCIN)	21.23
BURN SHEET	28.35	PLEURAL DECOMPRESSION KIT	137.46
CHUX PAD	4.54	PULSE OXIMETRY	20.56
COLD/HOT PACK CCT	12.46	RESTRAINTS DISPOSABLE	7.36
CRICO/CREST SUPPLIES	82.86	SODIUM BICARB	22.76
C-SPINE BOARD	276.79	SODIUM BICARB (PEDI)	22.52
DEFIB ELECTRODES	89.89	SPLINT ARM	11.02
DEXTROSE 50%	22.65	SPLINT LEG	15.70
DISPOSABLE LINEN	22.98	SPLINTING - SPINAL**	110.78
DOPAMINE DRIP	38.44	SUCTION CATHETERS	17.22
DRESSING - MAJOR	7.69	SUCTION TUBE	22.60
EKG ELECTRODES	15.33	TREAT/RELEASE	88.64
EMESIS BASIN	1.76	TREAT/RELEASE EXTENDED WAIT	177.28
EOA, COMBI-TUBE, PTL	217.58	UNIVERSAL PRECAUTIONS	17.65
EPI 1:10,000	22.65	URINAL	7.78
EPI 1:1000 1MG/1CC	20.81	VERSED 10MG	71.92
EPI MULTI DOSE	23.10	YANKAUER SUCTION	18.03

\*\* bundled charge

# EXHIBIT G

## Sample Sliding Scale Procedure

- A. Contractor will interview the patient or guarantor to determine their financial profile. Verification of income in the form of paycheck receipts for the last three months or a copy of the most recent tax return may be required.
- B. After eligibility for Medi-Cal or any other third party coverage is determined to not be in force, eligibility for a compassionate care allowance will be based on the patient/guarantor's gross income for the last three months annualized, less medical expenses incurred in the last year, and the size of the family.
- C. The general formula for determining eligibility is:
  1. Total gross income for the last 3 months divided by 3 = *Monthly Income*
  2. Multiply Monthly Income by 12 = *Annualized Income*
  3. Subtract all out-of-pocket medical expenses from the Annualized Income = *Compassionate Care Allowance Income*
  4. Locate the family size on the chart (total number including mother, father and dependents...do not include non-dependent household residents) and the corresponding income level and note the eligible allowance percentage.
- D. Compassionate care allowances will be determined using the following maximum annual income table (based on federal poverty levels increased by 125%):

Maximum Annual Income Levels						
Family Size	100% Allowance	80% Allowance	60% Allowance	40% Allowance	20% Allowance	0% Allowance
1	\$10,562	\$11,297	\$12,031	\$12,766	\$13,501	\$13,929+
2	\$14,235	\$14,970	\$15,705	\$16,440	\$17,175	\$17,524+
3	\$17,910	\$18,644	\$19,378	\$20,113	\$20,848	\$21,118+
4	\$21,583	\$22,317	\$23,052	\$23,787	\$24,522	\$24,713+
5	\$25,257	\$25,992	\$26,725	\$27,460	\$28,195	\$28,307+
6	\$28,930	\$29,665	\$30,399	\$31,134	\$31,869	\$31,902+
7	\$32,604	\$33,338	\$34,072	\$34,807	\$35,542	\$35,496+
8	\$36,277	\$37,012	\$37,747	\$38,481	\$39,216	\$39,091+

- E. The approval for compassionate care allowances will be for the single episode of care unless the patient's treatment requires recurring transports that will also be approved for charity. Contractor will perform a quarterly review of the patient's financial status for recurring services.

# EXHIBIT H

## Fiscal Timelines

Product	Due Date*	Responsible	Timeline to Complete
Year End Financial Report	April 1st	AMR	4 months
Quarterly Report (Jan 1 –Mar 31)	April 30th	AMR	1 month
Completed Audit	August 31st	County	5 months
Annual budget submitted to Contract Administrator	October 1st	AMR	N/A
Quarterly Report (Apr 1 –June 30)	July 31st	AMR	1 month
Approval of AMR budget and annual rate adjustment	December 31st	County	3 months
Annual rate adjustment implemented	January 1st	AMR	1 day
Quarterly Report (Jul 1 –Sep 30)	October 31st	AMR	1 month
Quarterly Report (Oct 1 –Dec 31st)	January 31st	AMR	1 month

*\* Extensions to timeline must be mutually agreed to by County and Contractor*

# EXHIBIT I

## Santa Cruz County Chart of Accounts

Account #	Definition	Description
<b>Transport Revenue</b>		
4005	ALS Revenue	Advanced Life Support Fee-for-Service gross charges
4010	BLS Revenue	Basic Life Support Fee-For-Service gross charges
4015	Long Distance Revenue	Long Distance Fee-For-Service gross charges
4020	CCT Revenue	Critical Care Transport Fee -For-Service gross charges
4030	Chair Car Revenue	Wheel Chair Car Fee-For-Service gross charges
<b>Contractual Allowances</b>		
4108	Contractual Allow prov ALS	Contractual discounts allowed to government and other contracted payers-Advanced Life Support
4110	Contractual Allow prov BLS	Contractual discounts allowed to government and other contracted payers-Basic Life Support
4120	Contractual Allow prov CCT	Contractual discounts allowed to government and other contracted payers-Critical Care
4130	Contractual Allow prov Chair Car	Contractual discounts allowed to government and other contracted payers-Wheel chair
4141	Contractual Allow prov Long Dist	Contractual discounts allowed to government and other contracted payers-Long distance
<b>Provision for Uncompensated Care</b>		
4205	Prov for uncomp care - ALS	Bad debt expense - Advanced Life Support
4210	Prov for uncomp care - BLS	Bad debt expense - Basic Life Support
4220	Prov for uncomp care - CCT	Bad debt expense - Critical Care
4230	Prov for uncomp care - chair	Bad debt expense - Wheel chair
4240	Prov for uncomp care - cap	Bad debt expense - capitated contract
4250	Prov for uncomp care - LD	Bad debt expense - Long distance
4290	Prov for uncomp care - Path	Bad debt expense - Pathways
<b>Other Revenue</b>		
4310	Government subsidy	Subsidy revenue received from the government agencies
4320	Government offsets	Contract revenue payments to government agencies
4330	Public utility model revenue	Not applicable
4332	Other contract revenue	Contract revenue other than fee-for-service
4335	Primary triage revenue	Not applicable
4340	Nurse triage revenue	Not applicable
4345	Physician referral revenue	Not applicable
4350	Pathways implementation fee	Not applicable
4355	Pathways admin fee revenue	Not applicable
4360	Pathways misc support fees	Not applicable
4365	Capitated contract revenue	Revenue received from capitated contracts
4367	Kaiser Capitated Revenue	Not applicable
4370	Ext med trans costs under	Not applicable
4375	Standby and special event	Site based standby fee revenue

Account #	Definition	Description
4910	Other contract revenue	Not applicable
4920	Subscription income	Not applicable
4930	Long distance revenue	Not applicable
4940	Flight revenue	Not applicable
4950	Equity in earnings of JV	Not applicable
4960	Other non-transport revenue	Miscellaneous revenue not related to transports
4990	Other misc revenue offsets	Not applicable
<b>Operating Expenses (direct costs incurred by local operations)</b>		
<b>Salaries</b>		
5003	Salaries – paramedics	All types of wages paid to Paramedics including regular, overtime, PTO, training, etc.
5010	Salaries - EMTs	Not applicable
5015	Salaries - flight crews	Not applicable
5020	Salaries - drivers	Not applicable
5021	Salaries - Livery Drivers	Not applicable
5030	Salaries – nurses	Not applicable
5040	Salaries - technicians	Not applicable
5050	Salaries – ops supervisors	All types of wages paid to field supervisors including regular, overtime, PTO, training, etc.
5060	Salaries - dispatchers	Not applicable
5070	Salaries - maintenance	Salaries of maintenance personnel (vehicle service technicians, etc.)
5080	Salaries – administration	Salaries of Administration Personnel (managers, vice presidents, etc)
5081	Salaries - finance	Salaries of finance personnel
5082	Salaries - human relations	Salaries of HR personnel
5083	Salaries - safety and risk	Salaries of safety & risk personnel
5084	Salaries - clinical & education	Salaries of CES employees
5085	Salaries - info technology	Salaries of IT personnel
5086	Salaries - bus dev & govt	Salaries of business development personnel
5087	Salaries - purchasing	Salaries of purchasing employees
5088	Salaries - Front end billing	Salaries of pre-billing personnel
5100	Temporary & subcontract lab	Salaries for any temporary labor, traveling nurses, etc.
<b>Benefits</b>		
5110	Workers compensation	On the job injury compensation for employees
5120	Health insurance	Employer's portion of health insurance expense
5130	Dental insurance	Employer's portion of dental insurance expense
5140	Disability insurance	Employer's portion of disability insurance
5160	401K contribution	Employer's portion of 401K expense
5170	Other pension plan expense	Not applicable
5175	Benefits - other	Not applicable
5180	Other insurance benefits	Life insurance
5185	Tuition	Tuition reimbursement to employees
5190	Benefits - other	Flex benefit, EAP, etc.
5195	Auto Allowance	Not applicable
5300	Payroll taxes	Payroll taxes incurred by employer, such as FICA, FUTA, SDI, etc.
<b>Depreciation</b>		
5810	Depr exp - bldg & bldg impr	Depreciation associated with buildings and/or building improvements

Account #	Definition	Description
5811	Depr exp- bldg & bldg impr	Depreciation associated with buildings and/or building improvements related to Y2K
5820	Depr exp-leasehold impr	Depreciation associated to leasehold improvements
5821	Depr exp-leasehold impr y2k	Depreciation associated to leasehold improvements related to Y2K
5830	Depr exp-med vehicles	Depreciation associated with ambulances, QRV's, etc. (any medical vehicles)
5831	Depr exp-med vehicles y2k	Depreciation associated with ambulances, QRV's, etc. (any medical vehicles) pertaining to Y2K
5835	Depr exp-leased vehicles	Depreciation associated with non-medical vehicles (Supervisor units, etc.)
5840	Depr exp-other vehicles	Depreciation associated with non-medical vehicles (Supervisor units, etc.)
5841	Depr exp-other vehicles y2k	Depreciation associated with non-medical vehicles (Supervisor units, etc.) pertaining to Y2K
5850	Depr exp-medical equipment	Depreciation associated with medical equipment (defibrillators, ventilators, etc.)
5851	Depr exp-medical equip y2k	Depreciation associated with medical equipment (defibrillators, ventilators, etc.) pertaining to Y2K
5860	Depr exp- comm equipment	Depreciation associated with communications equipment
5861	Depr exp- comm equip y2k	Depreciation associated with communications equipment pertaining to Y2K
5870	Depr exp- fleet main exp	Depreciation associated with any fleet maintenance items that were large enough to be considered a capital expenditure
5871	Depr exp- fleet main exp y2k	Depreciation associated with any fleet maintenance items that were large enough to be considered a capital expenditure, pertaining to Y2K
5880	Depr exp- office equipment	Depreciation associated with large office equipment items (desks, chairs, etc.)
5881	Depr exp- office equipment	Depreciation associated with large office equipment items (desks, chairs, etc.) pertaining to Y2K
5890	Depr exp- computer & software	Depreciation associated with computer and software (printers, fax machines, etc.)
5891	Depr exp- comp & software	Depreciation associated with computer and software (printers, fax machines, etc.) pertaining to Y2K
6110	GE Vehicle Lease	Vehicle lease expense--medical vehicles
<b>Vehicle Operating Costs</b>		
6201	Medical vehicles - gas & tolls	Gas and tolls expense incurred
6210	Licenses & registration	Licenses and registration expense for vehicles
6220	Med vehicle - operating lea	Operating lease on medical vehicles
6230	Radio & Comm equip - operat	Operating lease on radio and communications equipment
6290	Med vehicles - lease exp in	Vehicle leasing expense
6301	R & M - vehicles parts	Repair and maintenance, vehicle parts
6310	R & M - oil lubricants	Repair and maintenance, oil lubricants
6320	R & M - accident repairs	Repair and maintenance, accident repairs

Account #	Definition	Description
6330	R & M - vehicle towing	Repair and maintenance, vehicle towing
6340	R & M - vehicle batteries	Repair and maintenance, vehicle batteries
6350	R & M - vehicle tires	Repair and maintenance, vehicle tires
6360	R & M - shop supplies	Repair and maintenance, shop supplies
6370	R & M - external labor cost	Repair and maintenance, external labor costs
6380	R & M - customer prop damage	Repair and maintenance, customer property damage
6390	R & M - radio & comm repair	Repair and maintenance, radio and communications repair
<b>Medical Supplies</b>		
6401	Medical Supplies	General medical supplies
6405	Medical Supplies Restock	The cost of re-supplying fire agency first responders for supplies not charged to patients
6410	Medical Supplies - drugs	Drugs and medications
6415	Medical Supplies - Oxygen	Oxygen expenses
6420	Medical Supplies-non-capital	Durable non-capital items such as back boards, splints, etc.
<b>Insurance</b>		
6501	Insurance-automobiles	Combined rate for auto liability, general liability, and professional liability insurance coverage
6510	Insurance genl liability	Not applicable
6520	Insurance- building & contents	Not applicable
6525	Insurance-other	Not applicable
6530	Insurance-umbrella	Not applicable
6550	Insurance-officers life	Not applicable
6590	Insurance-other	Not applicable
<b>Telecommunications</b>		
6601	Telephone - local	Local telecommunications expense
6610	Telephone - long distance	Long distance telecommunications expense
6620	Telephone - cellular	Cellular telecommunications expense
6625	Telephone - Cell Accessories	Miscellaneous cellular telecomm items
6630	Telephone - pagers	Pagers expense
6640	Telephone - maintenance	All telecommunications maintenance expenses (i.e. repair, etc.)
<b>Occupancy</b>		
6701	Facilities - rent	Rent on stations, operations, etc.
6710	Utilities	Electricity, gas, and cable
6740	Water & sewer	Water expense and bottled water delivery
6750	Rubbish removal	Garbage, shredding services, etc.
6760	Facilities Cleaning	Janitorial services
6770	Property Taxes	Property taxes
6775	Other	Not used
6780	R & M Facilities	Various items such as HVAC repair, pest control, lock and keys, etc.
6790	Other Occupancy	Items such as coffee & tea, paper plates, etc.
<b>Other Operating Expenses</b>		
6901	Amortization of start-up costs	Not applicable
6910	Response Time Penalties	Response time penalties incurred in the provision of emergency services
6912	Penalties -Kaiser	Not applicable
6920	Uniforms	Employee uniform expense
6930	Laundry	Towel laundering, employee laundry expense



Account #	Definition	Description
6940	Physicals	Employee physicals
6950	Medical Waste removal	Removal of medical waste
6960	Dispatch Service fees	Fees paid to third party communications centers for the dispatching AMR units
6970	Medical Equipment	Non-capital medical equipment items
6975	R&M Medical equipment repairs	Repairs on items such as defibrillators, suction units, pulse-oximeters, etc.
6980	Business and employee licenses	Business licenses, state paramedic license fees, etc.
6985	First Responder Fees	Amounts paid to third party first responder agencies
6990	Other Operating expenses	Other general operating expenses. For Santa Cruz, this is where excess revenue sharing accruals are charged
6995	Purchasing Card Misc. Expenses	Not applicable
<b>Professional Fees</b>		
7101	Audit and Tax Fees	Fees incurred directly related to local operations – audit and tax
7110	Legal Fees	Fees incurred directly related to local operations – legal fees
7111	Legal Settlement costs	Fees incurred directly related to local operations – legal settlement
7120	Medical director fees	Fees incurred directly related to local operations – medical director
7140	Payroll service fees	Fees incurred directly related to local operations – payroll service
7150	A/R processing fees	Fees incurred directly related to local operations – accounts receivable
7160	Consulting fees	Fees incurred directly related to local operations – consultants
7170	External Provider Expense	Fees incurred directly related to local operations – external providers
7180	Intracompany PBS Billing	Not applicable
7190	Other professional fees	Fees incurred directly related to local operations – other professional
7191	Outside Consulting -Y2K	Not applicable
7192	National Contract/TPA	Not applicable
<b>G&amp;A expenses incurred by local operations</b>		
7201	Travel - general	Travel costs incurred by local Santa Cruz staff
7201.1	Airfare/Rail	Travel costs incurred by local Santa Cruz staff
7201.2	Car Rental	Travel costs incurred by local Santa Cruz staff
7201.3	Taxi	Travel costs incurred by local Santa Cruz staff
7201.4	Parking/Tolls	Travel costs incurred by local Santa Cruz staff
7201.5	Lodging	Travel costs incurred by local Santa Cruz staff
7201.6	Laundry/Porter	Laundry expense while traveling incurred by employee
7201.9	Company Paid Airfare	Used for central billing of company paid air fares
7210	Meals & entertainment-50% deduct	Meal expenses incurred by employee (50% deductible)
7211	Meals/entertainment-100% deduct	Meal expenses incurred by employee (100% deductible)
7220	Employee Mileage Reimbursement	Reimbursing employees for traveling beyond their usual and customary commute distance for meetings, etc.

Account #	Definition	Description
7300	Training, seminars & conventions	Employee training expenses incurred by employee (for reimbursement)
7330	Professional organization dues	For example, a membership to the Fire Chief's Assn.
7400	Supplies	Items such as printer paper, staples, paper clips, etc.
7410	Non capital equipment/supplies	Miscellaneous non-capital equipment
7420	Office equipment - Operating lease	Include items such as a copy machine and postage meter
7430	Computer equipment-Operating lease	Not applicable
7440	Other rental & leases	Anything leased other than vehicles, office equipment, and computer equipment.
7450	R&M office and computer equip	Repair and maintenance of office equipment (fax machines, computers, etc.)
7460	Software Licensing Fees	Licensing for new software
7500	Advertising	Items pertaining to the advertising of AMR (public service announcements, newspaper ads, etc.)
7510	Bank Charges	Any miscellaneous bank fees
7520	Bond & LOC fees	Fees incurred in the provision of performance security to County agencies
7530	Political contributions/lobbying	Not applicable
7540	Employee relations	Employee recognition program costs, holiday party etc.
7550	Non deductible fines & penalties	Non deductible fines & penalties
7560	Postage	General postage incurred by local operations
7570	Overnight delivery	Items such as Fed Ex, UPS incurred by local operations
7580	Printing	Printing expense incurred for items such as policies, protocols, etc.
7600	Recruitment	General recruiting of new employees
7610	Subscriptions & periodicals	Subscriptions to trade journals, newspapers, etc.
7620	Charitable donations	Charitable donations
7630	Social club dues	Not applicable
7640	Other Taxes	Not applicable
7650	Relocation expense	Expenses incurred to relocate personnel into the local operating area
7700	Other general admin charges	Not applicable
7800	Gain/loss on sales of Fixed	Residual net book value of a disposed asset
7800.1	NBV of Disposed Asset	Residual net book value of a disposed asset
7800.2	Cash Proceeds	Cash proceeds received from the disposal of fixed assets
7810	Miscellaneous income	Incidental receipts from non-operating activities
7820	Rental Income	Not applicable
7850	Finance Charges	Not applicable
7870	Unrealized gain/loss	Not applicable
7890	Gain/loss on sale of investments	Not applicable
7900	Reorg Costs- Severance	Not applicable
7910	Reorg Costs-Lease Term	Not applicable
7920	Reorg Costs-Transition	Not applicable

<b>Direct Shared Support Services (allocated from multi-jurisdictional support departments)</b>		
<b>Regional Overhead Allocation</b>		
7951.10	Administration	Regional administration (Livermore)
7951.16	QA/CES	Regional quality assurance & clinic education services (Livermore)
7951.20	Communications	Not applicable
7951.50	PBS	Regional patient business services (Modesto)
7951.60	Fleet	Not applicable
7951.80	Finance	Regional finance (Livermore)
7951.83	Business Development	Regional business development (Livermore)
7951.84	Human Resources	Regional human resources (Livermore)
7951.85	IT	Regional information technology (Modesto)
7951.88	Government Relations	Regional government relations (Livermore)
7951.91	Purchasing	Regional purchasing services (Livermore)
7951.92	Risk and Safety	Regional risk management & safety services (Livermore)
<b>Locational Overhead Allocation</b>		
7952.10	Administration	Coastal operations support
7952.16	QA/CES	Not applicable
7952.20	Communications	Not applicable
7952.50	PBS	Not applicable
7952.60	Fleet	Coastal operations support - Fleet (San Jose)
7952.83	Business Development	Coastal operations support
7952.88	Government Relations	Coastal operations support

## EXHIBIT J

### Asset Depreciable Lives

*Note: All depreciation should be calculated using the straight-line method using the depreciable lives listed below.*

Asset Category	Depreciable Life in Years	Description
Ambulances	5	All ambulance vehicles.
Other Medical Vehicles	5	Light general purpose trucks, wheelchair vans, supervisor vehicles, etc.
Computer Software - Purchased	3	Internally developed software is often be expensed.
Data Handling Equipment	5	Except computers, includes typewriters, calculators, accounting machines, copiers, fax machines, etc.
Gas Pumps and Connecting Underground Gas Tanks	5	Applicable fuel equipment.
High Technology Medical Equipment (1)	5	Electronic, electromechanical or computer based high tech equipment used in screening, monitoring, observation, diagnosis or treatment of patients.
Information Systems	3	Computers and peripheral equipment such as printers, disk drives, tape drives, terminals, etc.
Mobile Communications Equipment	5	Cellular/mobile phones, two-way radios and other similar mobile communications.
Non-technical Medical Equipment	5	Gurneys, wheelchairs, etc.
Office Furniture and Fixtures	5	Office telephone and communications equipment, desks, chairs, files, safes, carpeting, etc. Does not include assets that are structural building components.
Other Furniture	5	Provided for use by ambulance operators/paramedical persons when at the base including beds, sofas, televisions, refrigerators, microwaves, etc.
Land Improvements	15	Improvements directly to or added to land, provided such improvements are depreciable (not land itself). Includes shrubbery, sidewalks, fences, landscaping, etc.
Leasehold Improvements (2)	5	Improvements to leased buildings.
Buildings	5	Improvements to owned buildings.

*(1) Defibrillators are depreciated over 7 years.*

*(2) Leasehold and building improvements are depreciated 5 years or the term of the lease.*

# EXHIBIT K

## Auditor Compliance Report

Independent auditors will include tests of contract compliance in their examination of Contractor's financial statements and provide a compliance report expressing their opinion on compliance with fiscal provisions of the contract specified below. Auditor's report shall include a schedule showing any findings of non-compliance.

Auditors' opinion should state compliance with the following contract provisions:

1. Revenues and expenses are in accordance with the chart of accounts at Exhibit I.
2. Direct expenses include no intra-company charges except as provided in the definition of direct expenses in **Exhibit L**.
3. Reported expenses include no unallowable expenses as defined in **Exhibit L**.

# EXHIBIT L

## Definitions

<b>Advanced Life Support (ALS)</b>	Special services designed to provide definitive prehospital emergency medical care as defined in California Health and Safety Code 1797.52.
<b>Advanced Life Support (ALS) Ambulance</b>	An ambulance that has at the minimum, one EMT-Paramedic and one EMT-I as defined in California Health and Safety Codes 1797.80 and 1797.84 and equipment to provide ALS service to patients.
<b>ALS Response Time (ART)</b>	The measurement of time lapsed from the hour, minute and second the call is dispatched by SCCECC to the hour, minute and second of the arrival of a paramedic on the scene, regardless of whether the paramedic is employed by the Contractor or Subcontractor.
<b>Ambulance</b>	Any vehicle specially constructed, modified or equipped and used for transporting sick, injured, convalescent, infirmed or otherwise incapacitated person.
<b>Annual Profit</b>	See Profit
<b>Annual Report</b>	Contractor shall submit, on or before January 31st each year, an Annual Report summarizing the previous fiscal year's activities and performance that shall include but not be limited to those reports listed as "annual" in <b>Exhibit E</b> .
<b>Base Hospital</b>	Santa Cruz County hospital approved by the Santa Cruz County EMS Agency to provide on-line medical advice and medical control to EMTs.
<b>Basic Life Support (BLS)</b>	Those medical services that may be provided within the scope of practice of a person certified as an EMT-I as defined in California Health and Safety Code Section 1797.80.
<b>Basic Life Support (BLS) Ambulance</b>	An ambulance staffed by at least two individuals, one of whom must be certified at or above the level of an EMT-I as defined in California Health and Safety Code 1797.80 and equipment to provide only basic life support at the scene of a medical emergency and during transport of a patient(s) experiencing a medical emergency.
<b>Business Day</b>	Any day that County offices are open for public business, excluding weekends and holidays.
<b>Computer Aided Dispatch (CAD)</b>	A system consisting of associated hardware and software to facilitate call-taking, unit selection, resource dispatch and deployment, event time stamping, creation and real time maintenance of incident database and management information system.
<b>Code 2 Call</b>	Immediate dispatch of first responders and ambulance, no lights and sirens.

<b>Code 3 Call</b>	Immediate dispatch of first responders and ambulance with lights and sirens.
<b>Contract Administrator</b>	The Director of the Santa Cruz County Health Services Agency or her/his designee.
<b>Contract Anniversary Date</b>	January 1st
<b>Cost Differential</b>	The cost to the Contractor of providing first response with in-house resources (arriving on the scene in 8:00 minutes or less, 90% of the time with two paramedics in the Urban areas, 12:00 minutes in the Suburban areas and 20:00 minutes in the Rural areas) compared to the cost to the Contractor using First Responder Agencies to meet the ALS Response Time and the Contractor meeting the Transport Response Time with two paramedics in 12:00 minutes or less, 90% of the time in the Urban areas, 18:00 minutes in the Suburban areas, and 30 minutes in the Rural areas.
<b>CQI</b>	Continuous Quality Improvement
<b>Deployment Plan</b>	An operational methodology that lists and defines the number of unit hours to be supplied by the Contractor, along with the placement of these units, by hour of day and day of week based on historical demand patterns.
<b>Depreciation</b>	As approved by County as shown in <b>Exhibit J</b> .
<b>Direct Expenses</b>	Expenses incurred by the Contractor in the delivery of field services and transport under this agreement and incurred in the local Santa Cruz County operations and fees directly related to the local operations. Intra-company charges are not allowable as direct expenses, except for allocated self-insurance charges, which must be based upon allocation formulas consistently and fairly applied to Contractor's operations. Direct expenses are included in the Chart of Accounts labeled "Operating Expenses" as shown in <b>Exhibit I</b> , exclusive of any accounts defined as General and Administration Expenses or Indirect Expenses.
<b>Emergency</b>	As defined in California Health and Safety Code 1797.70, emergency means a condition or situation in which an individual has a need for immediate medical attention, or where the potential for such need is perceived by emergency medical personnel or a public safety agency.
<b>Emergency Medical Care Commission</b>	The committee appointed by the Board of Supervisors that is advisory to the EMS Agency and Board of Supervisors, and makes recommendations regarding standards, rules and regulations related to the medical and clinical aspects of ALS and ambulance service and prehospital care.
<b>Emergency Medical Dispatch (EMD)</b>	A series of components that allow the dispatcher to prioritize calls, send appropriate resources with the appropriate response, and provide pre-arrival instructions if needed.

<b>Emergency Medical Technician -I (EMT-I)</b>	As defined in the Health and Safety Code Section 1797.80.
<b>Emergency Medical Technician - Paramedic (EMT-P)</b>	As defined in the Health and Safety Code Section 1797.84.
<b>Emergency Medical Services Integration Authority (EMSIA)</b>	A joint powers authority to integrate fire-based medical resources with the County ambulance provider.
<b>EMS Agency</b>	Santa Cruz County Emergency Medical Services Agency
<b>Exception</b>	A late response as determined by response time criteria
<b>Excess Revenues</b>	Contractor's net revenues less allowable direct expenses, general administration, indirect expenses and allowable annual profit as described in Section 10.3 (A).
<b>Exclusive Operating Area (EOA)</b>	An EMS area or sub-area of Santa Cruz County that restricts operations to one or more emergency advanced life support ambulance providers as defined by California Health and Safety Code 1797.85.
<b>Exemption</b>	A determination to exclude an EMS event from the predetermined response time criteria due to factors outside of the Contractors/Subcontractors control.
<b>Fire Integration</b>	A signed agreement between AMR and EMSIA that is approved by the Contract Administrator, to include: <ul style="list-style-type: none"> <li>• Detailed Continuous Quality Improvement responsibilities of each party</li> <li>• Expectation of trainings to be offered and attendance at training sessions by each party</li> <li>• Specific equipment and supply exchange/purchase responsibilities</li> <li>• Career ladder opportunities and anticipated process</li> <li>• BLS intercept cost recovery and process</li> <li>• Response time expectations</li> <li>• All fiscal specifications including penalties and fees agreed among the parties</li> </ul>
<b>First Responder</b>	A fire department vehicle or police vehicle with personnel capable of providing appropriate prehospital care.



<b>General and Administration Expenses</b>	Expenses incurred within the local Santa Cruz Operation to support field services and for the general direction of the local operation under this agreement. General and administration expenses are included in the Chart of Accounts in category "G&A expenses incurred by local operations" as shown in <b>Exhibit I</b> .
<b>HIPAA</b>	Health Insurance Portability and Accountability Act of 1996.
<b>Indirect Expenses</b>	Expenses not incurred in the local operation but necessary for the support of the Santa Cruz operation. Indirect expenses are those included in the Chart of Accounts category "Direct Shared Support Services" as shown in <b>Exhibit I</b> , i.e. Regional Overhead Allocations and Locational Overhead Allocations.
<b>Management Letter</b>	A letter prepared by independent auditors, in addition to the required reports on internal controls or reportable conditions, to make recommendations to the client on internal controls and potential risks, accounting practices and operating efficiencies.
<b>Medical Direction</b>	Direction given ambulance personnel by a base hospital physician through direct voice contact or through an approved M.I.C.N., as required by applicable medical protocols.
<b>Medical Director</b>	A physician with experience in emergency medical systems who provides medical oversight to the EMS System, pursuant to Section 1797.204 of the Health and Safety Code
<b>MCI Plan</b>	Santa Cruz County Multi-Casualty Incident Plan
<b>Netcom</b>	See SCCECC below.
<b>Net Revenue</b>	Net revenue equals gross revenues, less an allowance for contractual adjustments and uncompensated care. Net revenue shall be used as the basis for calculation of contractor's Profit and Excess Revenues.
<b>Operating Expenses</b>	All reasonable and necessary expenses incurred in the Santa Cruz Operation including direct, general and administration and indirect expenses.
<b>Penalty/Penalties</b>	The sum to be forfeited by the Contractor in case of nonfulfillment of stipulations in this Agreement.
<b>Prehospital Advisory Committee (PAC)</b>	Formed to advise the EMS Medical Director on issues concerning the technical aspects in the provision of prehospital care.
<b>Profit</b>	Contractor's net revenues less allowable direct expenses, general administration and indirect expenses.
<b>Quick Response Vehicle (QRV)</b>	A vehicle approved by the County that is staffed with a paramedic and may be used as a first response vehicle by the Contractor.

<b>Rural</b>	All census places with a population density of less than 50 persons per square mile; or census tracts and enumeration districts without census tracts that have a population density of 7 to 50 persons per square mile. (Reference: State of California, Emergency Medical Services Authority, EMS System Standards and Guidelines.)
<b>SCCECC/Netcom</b>	Santa Cruz Consolidated Emergency Communications Center (SCCECC) is a Joint Powers Authority (JPA) created by, and providing public safety and 911 dispatch services for, the County of Santa Cruz, and the Cities of Santa Cruz, Watsonville, and Capitola. The JPA also provides services for nine (9) Fire Districts, American Medical Response West (the paramedic and ambulance transport provider), and County Animal Control Services.
<b>Subcontractor</b>	A person or entity that contracts with the Contractor pursuant to County approval to perform services under this Agreement.
<b>Suburban</b>	All census places with a population density of 51 to 100 persons or more per square mile; or census tracts and enumeration districts without census tracts that have a population density of 51 to 100 persons per square mile. (Reference: State of California, Emergency Medical Services Authority, EMS System Standards and Guidelines).
<b>System Status Management Plan</b>	An algorithm and written operating procedures for on-line, real-time management of system resources through system deployment, posting patterns and redeployment of units and unit hours to meet the ongoing demand of the system and to optimize system coverage consistent with real time needs of the system.
<b>Technical Advisory Group (TAG)</b>	Appointed by the Health Services Agency Administrator to monitor the performance of this Agreement and evaluate Contractor and Subcontractor compliance with Agreement terms and conditions. The findings and recommendations of the TAG shall be reported to the Contract Administrator.
<b>Transport Response Time (TRT)</b>	The measurement of time lapsed from the hour, minute and second the call is dispatched by SCCECC to the hour, minute and second of the arrival on the scene of two paramedics in an ambulance, regardless of whether the ambulance is provided by the Contractor or Subcontractor.

**Unallowable Expenses**

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For purposes of the Agreement the following categories of expenses will not be allowed: political contributions or lobbying expenses, response time penalties, charitable contributions, bonuses or other employee payments not required by Contractor's labor agreements or otherwise agreed upon. County acknowledges that the exempt employees as outlined below are eligible to participate in an annual company sponsored incentive plan. County may review such plan upon request and Contractor will notify County of any changes in such plan during the life of this Agreement. Proposed incentive plan amounts will be included as part of the annual budget. Positions eligible are the Director of Operations, Paramedic Field Supervisors and Clinical Education Coordinator.

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**Unusual System  
Overload**

The demand for system resources that exceeds historical demand at the ninety fifth (95<sup>th</sup>) percentile by 120% for day of week and time of day for the past six (6) months, for a period of two hours.

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**Urban**

All census places with a population density of 101 to 500 persons per square mile; or census tracts and enumeration districts without census tracts that have a population density of 101 to 500 persons or more per square mile. (Reference: State of California, Emergency Medical Services Authority, EMS System Standards and Guidelines).

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# EXHIBIT M

## Business Services Agreement

This Business Associate Agreement (this "Agreement") is entered into effective as of September 1, 2003, by and between the COUNTY OF SANTA CRUZ, hereinafter referred to as "Business Associate") and AMERICAN MEDICAL RESPONSE WEST (hereinafter referred to as "Covered Entity") in order to comply with the Health Insurance Portability and Accountability Act of 1996 (P.L. 104-191), 42 U.S.C. Section 1320d, et. seq., and regulations promulgated thereunder, governing protected health information ("PHI), as amended from time to time (statute and regulations hereinafter collectively referred to as "HIPAA").

### 1. Use and Disclosure of Protected Health Information

Except as otherwise provided in this agreement, Business Associate, may use or disclose protected health information to perform functions, activities or services for or on behalf of the Covered Entity, hereinafter referred to as the *Covered Entity*, as specified in this agreement, provided that such use or disclosure does not violate the Health Insurance Portability and Accountability Act (HIPAA), (U.S.C. 1320d et seq.), and its implementing regulations including but not limited to 45 Code of Federal Regulations parts 142, 160, 162, and 164, hereinafter referred to as the Privacy Rule. The uses and disclosures of PHI may not exceed the limitations applicable to the *Covered Entity* under the regulations except as authorized for management, administrative or legal responsibilities of the Business Associate.

### 2. Further Disclosure of PHI

The Business Associate shall not use or further disclose PHI other than as permitted or required by this Agreement, or as required by law.

### 3. Safeguarding PHI

The Business Associate shall use appropriate safeguards to prevent use or disclosure of PHI other than as provided for by this Agreement.

### 4. Unauthorized Use or Disclosure of PHI

The Business Associate shall report to the *Covered Entity* any use or disclosure of the PHI not provided for by this Agreement or otherwise in violation of the Privacy Rule.

### 5. Agents and Subcontractors of the Business Associate

The Business Associate shall ensure that any agent, including a subcontractor, to which the Business Associate provides PHI received from, or created or received by the Business Associate on behalf of the *Covered Entity*, shall comply with the same restrictions and conditions that apply through this Agreement to the Business Associate with respect to such information.

6. **Access to PHI**

At the request of the *Covered Entity*, and in the time and manner designated by the *Covered Entity*, the Business Associate shall provide access to PHI in a Designated Record Set to an Individual or the *Covered Entity* to meet the requirements of 45 Code of Federal Regulations section 164.524.

7. **Amendments to Designated Record Sets**

The Business Associate shall make any amendment(s) to PHI in a Designated Record Set that the *Covered Entity* directs or at the request of the Individual, and in the time and manner designated by the *Covered Entity* in accordance with 45 Code of Federal Regulations section 164.526.

8. **Documentation of Uses and Disclosures**

The Business Associate shall document such disclosures of PHI and information related to such disclosures as would be required for the *Covered Entity* to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 Code of Federal Regulations section 164.528.

9. **Accounting of Disclosure**

The Business Associate shall provide to the *Covered Entity* or an Individual, in the time and manner designated by the *Covered Entity*, information collected in accordance with 45 Code of Federal Regulations section 164.528, to permit the *Covered Entity* to respond to a request by the Individual for an accounting of disclosures of PHI in accordance with 45 Code of Federal Regulations section 164.528.

10. **Records Available to Covered Entity and Secretary**

The Business Associate shall make available records related to the use, disclosure, and privacy protection of PHI received from the *Covered Entity*, or created or received by the Business Associate on behalf of the *Covered Entity*, to the *Covered Entity* or to the Secretary of the United State Department of Health and Human Services for purposes of investigating or auditing the *Covered Entity's* compliance with the privacy requirements, in the time and manner designated by the *Covered Entity* or the Secretary.

11. **Destruction of PHI**

Upon termination of this Agreement for any reason, the Business Associate shall:

a) Return all PHI received from the *Covered Entity*, or created or received by the Business Associate on behalf of the *Covered Entity* required to be retained by the Privacy Rule, except that Business Associate may keep PHI necessary to fulfill its obligations as the Emergency Medical Services Agency for the County of Santa Cruz; or

b) Return or destroy all other PHI received from the *Covered Entity*, or created or received by the Business Associate on behalf of the *Covered Entity*.

This provision shall apply to PHI in possession of subcontractors or agents of the Business Associate. The Business Associate's agents or subcontractors shall retain no copies of the PHI.

In the event the Business Associate determines that returning or destroying the PHI is not feasible, the Business Associate shall provide the *Covered Entity* notification of the conditions that make return or destruction not feasible. If the *Covered Entity* agrees that the return of the PHI is not feasible, the Business Associate shall extend the protections of this Agreement to such PHI and limit further use and disclosures of such PHI for so long as the Business Associate, or any of its agents or subcontractors, maintains such PHI.

**12. Amendments to Agreement**

The Parties agree to take such action as is necessary to amend this Agreement as necessary for the *Covered Entity* to comply with the requirements of the Privacy Rule and its implementing regulations.

**13. Mitigation of Disallowed Uses and Disclosures**

The Business Associate shall mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of a use or disclosure of PHI by the Business Associate in violation of the requirements of this Agreement or the Privacy Rule.

**14. Data Aggregation**

The Business Associate may provide data aggregation services related to the health care operation of the Covered Entity.

**15. Termination of Contracts**

The *Covered Entity* shall terminate this contract upon knowledge of a material breach by the Business Associate of which the Business Associate fails to cure.

9K

# COUNTY OF SANTA CRUZ REQUEST FOR APPROVAL OF AGREEMENT

TO: Board of Supervisors  
County Administrative Office  
Auditor Controller

FROM: Health Services Agency (Department)

BY: [Signature] (Signature) 12/3/04 (Date)

Signature certifies that appropriations/revenues are available

AGREEMENT TYPE (Check One) Expenditure Agreement  Revenue Agreement

The Board of Supervisors is hereby requested to approve the attached agreement and authorize the execution of same.

1. Said agreement is between the Health Services Agency - Public Health (Department/Agency)  
and AMR West, 116 Hubbard St., Santa Cruz, CA 95060 (Name/Address)

2. The agreement will provide excess ambulance revenue trust funds to offset increase cost of dispatch fees

3. Period of the agreement is from September 1, 2003 to August 31, 2008

4. Anticipated Cost is \$ 36,126 through 6/30/05  Fixed  Monthly Rate  Annual Rate  Not to Exceed

Remarks: Auditor - Encumber \$36,126 in 362010/3651

5. Detail:  On Continuing Agreements List for FY 04 - 05 Page CC- 8 Contract, No: 0127 OR  1st Time Agreement

- Section II No Board letter required, will be listed under Item 8
- Section III Board letter required
- Section IV Revenue Agreement

6. Appropriations/Revenues are available and are budgeted in 362010 (Index) 3651 (Sub object)

NOTE: IF APPROPRIATIONS ARE INSUFFICIENT, ATTACHED COMPLETED AUD-74 OR AUD-60

Appropriations are available and will be encumbered. Contract No: CO40127-02 (new)

are not available and will be encumbered. By: [Signature] Date: 12/1/04  
Auditor-Controller Deputy

Proposal and accounting detail reviewed and approved. It is recommended that the Board of Supervisors approve the agreement and authorize

Health Services Agency Director (Dept/Agency Head) to execute on behalf of the

Health Services Agency (Department/Agency)

Date: \_\_\_\_\_ By: [Signature]  
County Administrative Office

Distribution:  
Board of Supervisors - White  
Auditor Controller - Canary  
Auditor-Controller - Pink  
Department - Gold

ADM - 29 (8/01)  
Title I, Section 300 Proc Man

State of California  
County of Santa Cruz  
[Signature] ex-officio Clerk of the Board of Supervisors of the County of Santa Cruz,  
State of California, do hereby certify that the foregoing request for approval of agreement was approved by said Board of Supervisors as recommended by the County Administrative Office by an order duly entered in the minutes of said Board on 12/1/04 20 04

By: Deputy Clerk

AUDITOR-CONTROLLER USE ONLY

CO	\$	Lines	H/TL	Keyed By	Date
Document No.	JE Amount				

TC110	\$	Index	Sub object	User Code
Auditor Description	Amount			

1  
2 FURTHER AGREEMENT FOR EXPENDITURE OF EXCESS REVENUES  
3 DERIVED FROM EMERGENCY MEDICAL SERVICES PROVIDER  
4 AGREEMENT FOR EMERGENCY AMBULANCE  
5 ADVANCED LIFE SUPPORT SERVICES  
6 BETWEEN  
7 THE COUNTY OF SANTA CRUZ  
8 AND  
9 AMERICAN MEDICAL RESPONSE WEST,  
10 A CALIFORNIA CORPORATION AND  
11 A SUBSIDIARY OF AMERICAN MEDICAL RESPONSE, INC.

12  
13 REVISED SEPTEMBER 11,2001 WITH AMENDMENTS  
14

15 This Agreement is entered into by and between the COUNTY OF SANTA CRUZ, a political  
16 subdivision of the State of California, hereinafter called County and AMERICAN MEDICAL  
17 RESPONSE WEST, a California Corporation, and a subsidiary of American MEDICAL  
18 RESPONSE, INC. hereinafter referred to as Contractor.  
19

20 INTENT  
21

22 WHEREAS, County and Contractor have entered into that certain agreement entitled Second  
23 Amended Emergency Medical Services Provider Agreement for Emergency Ambulance  
24 Advanced Life Support Transport Services Between The County of Santa Cruz And American  
25 Medical Response West, A California Corporation And A Subsidiary of American Medical  
26 Response, Inc., as Revised September 11,2001; and  
27

28 WHEREAS, the County and Contractor also desire, in accordance with the terms of the afore-  
29 mentioned agreement, to expend accumulated Excess Revenues for legally permissible purposes  
30 which benefit the Contractor, the County, and its patients; and  
31

32 WHEREAS, improving the quality, efficiency, and cost-effectiveness of the EMS/ambulance  
33 system will benefit County citizens; and  
34

35 WHEREAS, the County believes it is mutually desirable and for the general public interest,  
36 convenience, and welfare that the entire area of the County of Santa Cruz receive prompt,  
37 clinically excellent, and efficient advanced life support services; and  
38

39 WHEREAS, the parties agree to make a further disbursement of Excess Revenues as set forth in  
40 this herein.  
41  
42  
43  
44  
45  
46



1 NOW, THEREFORE, THE PARTIES **HERETO** AGREE AS FOLLOWS:

2  
3  
4  
5  
6 A. Use of Excess Revenues.

7  
8 The parties agree to an expenditure of excess revenues in addition to those authorized by  
9 the contract signed on June 24,2003 under the authority of Part Six, Paragraph A  
10 (5)(c)(i) of the Second Amended Emergency Medical Services Provider Agreement for  
11 Emergency Ambulance Advanced Life Support Transport Services Between The County  
12 of Santa Cruz And American Medical Response West, A California Corporation and a  
13 Subsidiary of American Medical Response, Inc., as Revised September 11,2001, and as  
14 amended, in the following manner and amount:

- 15  
16 1. Expenditures to American Medical Response West to partially offset the increased cost of  
17 dispatch services paid to Santa Cruz Consolidated Emergency Communications Center  
18 (SCCECC) at approximately \$36,126 for the period of July 1,2004 to June 30, 2005.  
19


20  
21 B. Use of Remaining Excess Revenues.

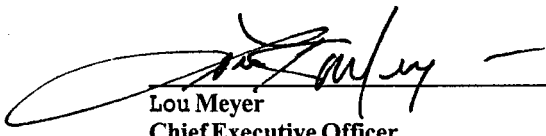
22  
23 Excess Revenues remaining in the Santa Cruz Excess Revenues Account shall be  
24 expended as the parties shall agree in writing.  
25

26  
27 **IN WITNESS WHEREOF**, the parties have executed this Agreement on dates indicated below.

28  
29 For the County of Santa Cruz

For American Medical Response West

30  
31 



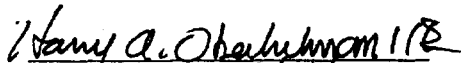
32  
33 Rama Khalsa, Ph.D.  
34 HSA Administrator

Lou Meyer  
Chief Executive Officer

35  
36 Date: \_\_\_\_\_

Date: 12/22/04

37  
38  
39 APPROVED AS TO FORM:

40  
41  
42   
43 County Counsel 8/18/04  
44  
45  
46  
47  
48  
49

**COUNTY OF SANTA CRUZ  
REQUEST FOR APPROVAL OF AGREEMENT**

TO: Board of Supervisors  
County Administrative Office  
Auditor Controller

FROM: Health Services Agency (Department)

BY: [Signature] (Signature) 3/13/03 (Date)  
Signature certifies that appropriations/revenues are available

AGREEMENT TYPE (Check One)

Expenditure Agreement

Revenue Agreement

The Board of Supervisors is hereby requested to approve the attached agreement and authorize the execution of same.

1. Said agreement is between the Health Services Agency - Public Health (Department/Agency)  
and American Medical Response West, 7575 Southfront, Livermore, CA 94551 (Name/Address)

2. The agreement will provide Ambulance service in Santa Cruz County

3. Period of the agreement is from December 1, 1997 to August 31, 2003

4. Anticipated Cost is \$ NA  Fixed  Monthly Rate  Annual Rate  Not to Exceed

Remarks: Amendment adds language to page 60 for Medicare rate chaggos

5. Detail:  On Continuing Agreements List for FY 02 - 03 . Page CC- 24 Contract No: 0127 OR  1<sup>st</sup> Time Agreement  
 Section II No Board letter required, will be listed under Item 8  
 Section III Board letter required  
 Section IV Revenue Agreement

6. Appropriations/Revenues are available and are budgeted in NA (Index) NA (Sub object)

NOTE: IF APPROPRIATIONS ARE INSUFFICIENT, ATTACHED COMPLETED AUD-74 OR AUD-60

Appropriations ~~are available and~~ ~~will be~~ ~~encumbered.~~  
are ~~not~~ ~~available and~~ ~~will be~~ ~~encumbered.~~  
have been ~~encumbered.~~  
will be ~~encumbered.~~

Contract No: 20127

By: [Signature]  
Auditor-Controller Deputy

Date: 03/06/03

Proposal and accounting detail reviewed and approved. It is recommended that the Board of Supervisors approve the agreement and authorize MSA Director (Dept/Agency Head) to execute on behalf of the

Health Services Agency (Department/Agency)

Date: 3-07-03

By: [Signature]  
County Administrative Office

Distribution:

Board of Supervisors - White  
Auditor Controller - Canary  
Auditor-Controller - Pink  
Department - Gold

State of California  
County of Santa Cruz  
I [Signature] ex officio Clerk of the Board of Supervisors of the County of Santa Cruz,  
State of California, do hereby certify that the foregoing request for approval of agreement was approved by said Board of Supervisors as recommended by the County Administrative Office by an order duly entered in the minutes of said Board on March 18 20 03

ADM - 29 (8/01)  
Title I, Section 300 Proc Man

By: [Signature]  
Deputy Clerk

AUDITOR-CONTROLLER USE ONLY

CO	\$	Lines	H/TL	Keyed By	Date
Document No.	JE Amount				
TC110	\$	Amount	Index	Sub object	User Code
Auditor Description					

1 SECOND AMENDED EMERGENCY MEDICAL SERVICES PROVIDER  
 2 AGREEMENT FOR EMERGENCY AMBULANCE  
 3 ADVANCED LIFE SUPPORT TRANSPORT SERVICES  
 4 BETWEEN  
 5 THE COUNTY OF SANTA CRUZ  
 6 AND  
 7 AMERICAN MEDICAL RESPONSE WEST,  
 8 A CALIFORNIA CORPORATION AND  
 9 A SUBSIDIARY OF AMERICAN MEDICAL RESPONSE, INC.

10 REVISED MARCH 11,2003

11  
12  
13 This Agreement is entered into by and between the COUNTY OF SANTA CRUZ, a political  
14 subdivision of the State of California, hereinafter called County and AMERICAN MEDICAL  
15 RESPONSE WEST, a California Corporation, and a subsidiary of AMERICAN MEDICAL  
16 RESPONSE, INC. hereinafter referred to as Contractor.

17  
18 PART ONE

19  
20 INTENT

21  
22 WHEREAS, it is recognized that an effective emergency medical services program in part is  
23 based upon: population density, a reliable system of ready response based on an agreed upon  
24 minimum level of effort by Contractor, and rigorous Advanced Life Support (ALS) response  
25 standards; and

26  
27 WHEREAS, the County desires, in accordance with the exercise of its general police powers, to  
28 assure Advanced Life Support emergency ambulance service for all ill or injured persons; and

29  
30 WHEREAS, the County believes it is mutually desirable and for the general public interest,  
31 convenience, and welfare that the entire area of the County of Santa Cruz receive prompt, and  
32 efficient ambulance service;

33  
34 WHEREAS, the County desires to maintain a contractual agreement with a paramedic transport  
35 provider service that reflects a determined method of service accountability by setting a baseline  
36 number of ambulance units to be deployed by Contractor, establishing minimum EMT-P staffing  
37 for each unit and assuring changes in deployment be approved prior to implementation; and

38  
39 WHEREAS, the County has determined that the level of service prescribed herein is the most  
40 appropriate and efficient manner of exercising authority contained in Welfare & Institutions  
41 Code 17000, Health & Safety Code Section 1797, et. seq., and Title 22 of the California Code of  
42 Regulations); and

43  
44 WHEREAS, the County desires to be assured that the Contractor maintains rigorous response  
45 time standards countywide throughout the term of this Agreement by monitoring the  
46 Contractor's performance to response standards on a regular basis; and

- 1 b. Waiver of Annual Cost of Living Rate Increase. In any year when the Contractor's  
 2 Year-End Reconciliation shows Excess Revenues to be greater than ten (10) percent  
 3 of the system's net/net revenues, then all requests for Cost of Living increase must  
 4 be approved in advance by the Board, with the Board having the express discretion  
 5 to deny all Cost of Living adjustment for that year. Should the Contractor have  
 6 already applied an automatic inflation rate increase to Contractor's approved charges  
 7 for a Contract Year prior to submittal of the Contract Year End Reconciliation as  
 8 provided herein, then such increased charges will be rolled back to the previous  
 9 year's approved charges until a determination is made by the Board.
- 10
- 11 c. Additional Rate Increases. Contractor may request an additional annual increase to  
 12 Contractor's charge per transport pursuant to Subsection (A)(5)(c) of this Part,  
 13 should the Contractor show that the current County authorized rate (plus annual  
 14 increases in charges as a result of Cost of Living adjustment) will not be sufficient to  
 15 meet the revenue requirements as estimated by Contractor's approved Santa Cruz  
 16 Operations Budget for the following year.
- 17
- 18 d. ~~Medicare Fee Schedule Mitigation Rate Increase. County, at County's sole  
 19 discretion and with the advance approval of the Board of Supervisors, may approve  
 20 a Rate Increase in response to notice and written documentation provided by  
 21 Contractor of a Medicare Fee Schedule revenue decrease which requires mitigation  
 22 to produce the operational revenues necessary to support system expenses.  
 23 Contractor will make all requests for a Medicare Fee Schedule Rate Increase to the  
 24 HSA Administrator. The HSA Administrator will respond to Contractor's request  
 25 within sixty (60) days.~~

26


27 B. Fiscal/Financial Responsibilities of Parties Under this Agreement.


- 28
- 29 1. Responsibilities of Contractor. Contractor agrees to provide all ALS response and ALS  
 30 transport services described herein in conformance with all specified terms and  
 31 conditions. Further, Contractor agrees to provide the following services:
- 32
- 33 a. Field Services. Contractor agrees to provide all ALS response and ALS transport field  
 34 services as specified in this Agreement to include the following.
- 35
- 36 1. Field Personnel. The provision of EMT-P labor (including salary, worker's  
 37 compensation insurance, all applicable state and federal taxes, and benefits) to  
 38 staff Ambulance units in accord with minimum system levels required under  
 39 this Agreement to include full-time and part-time employees, Field Training  
 40 Officers, and Quality Assurance. Employee benefits will be defined as those  
 41 agreed to by Contractor in Contractor's agreement with Healthcare Workers  
 42 Union Local 250 SEIU, AFL-CIO effective October 12, 1996 through June  
 43 30, 2001 and any subsequent labor agreements entered into by the Contractor  
 44 and the Contractor's employees authorized union representative.
- 45

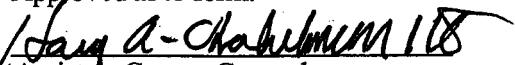
1  
2 4. Exhibit "D" entitled "Report Formats".

3  
4 5. Exhibit "E" entitled "AMR Santa Cruz County Operations 97/98 Budget Final Draft".

5  
6 IN WITNESS WHEREOF, THE PARTIES HERETO HAVE EXECUTED THIS  
7 AGREEMENT THE DAY AND YEAR BELOW WRITTEN.

8  
9   
10 Lou Meyer, Chief Executive Officer  
11 American Medical Response West

  
Rama Khalsa  
Health Services Agency Administrator  
County of Santa Cruz

12  
13 Approved as to form:  
14   
15 Assistant County Counsel  
16

OK

# COUNTY OF SANTA CRUZ REQUEST FOR APPROVAL OF AGREEMENT

TO: Board of Supervisors  
County Administrative Office  
Auditor Controller

FROM: Health Services Agency (Department)

BY: [Signature] (Signature) 6/15/03 (Date)  
Signature certifies that appropriations/revenues are available

AGREEMENT TYPE (Check One) Expenditure Agreement  Revenue Agreement

The Board of Supervisors is hereby requested to approve the attached agreement and authorize the execution of same.

1. Said agreement is between the Health Services Agency - Administration (Department/Agency)  
and AMR West (Name/Address)

2. The agreement will provide expenditures from the Excess Revenue Fund

3. Period of the agreement is from December 1, 1997 to August 31, 2003

4. Anticipated Cost is \$ N/A  Fixed  Monthly Rate  Annual Rate  Not to Exceed

Remarks: No Penalties Changes Needed

5. Detail:  On Continuing Agreements List for FY 02 - 03. Page CC- 24 Contract No: 0127 OR  1<sup>st</sup> Time Agreement  
 Section II No Board letter required, will be listed under Item 8  
 Section III Board letter required Amendment  
 Section IV Revenue Agreement

6. Appropriations/Revenues are available and are budgeted in 362010 (Index) NA (Sub object)

NOTE: IF APPROPRIATIONS ARE INSUFFICIENT, ATTACHED COMPLETED AUD-74 OR AUD-60

Appropriations are available and have been encumbered. Contract No: C020127-01  
are not available and will be encumbered. By: [Signature] Date: 6/15/03  
USE OF EXCESS REVENUE FUND Auditor-Controller Deputy

Proposal and accounting detail reviewed and approved. It is recommended that the Board of Supervisors approve the agreement and authorize  
HSA Director (Dept/Agency Head) to execute on behalf of the  
Health Services Agency (Department/Agency)

Date: 6/15/03 By: [Signature]  
County Administrative Office

Distribution:

Board of Supervisors - White  
Auditor Controller - Canary  
Auditor-Controller - Pink  
Department - Gold

State of California  
County of Santa Cruz

[Signature] ex-officio Clerk of the Board of Supervisors of the County of Santa Cruz,  
State of California, do hereby certify that the foregoing request for approval of agreement was ap-  
proved by said Board of Supervisors as recommended by the County Administrative Office by an  
order duly entered in the minutes of said Board on 6/15/03 20 03

ADM - 29 (8/01)  
Title I, Section 300 Proc Man

By: [Signature]  
Deputy Clerk

AUDITOR-CONTROLLER USE ONLY

CO	Document No.	JE Amount	Lines	H/TL	Keyed By	Date
TC110		\$				
	Auditor Description	Amount	Index	Sub object	User Code	

1  
2                   AGREEMENT FOR EXPENDITURE OF EXCESS REVENUES  
3                   DERIVED FROM EMERGENCY MEDICAL SERVICES PROVIDER  
4                   AGREEMENT FOR EMERGENCY AMBULANCE  
5                   ADVANCED LIFE SUPPORT SERVICES  
6                   BETWEEN  
7                   THE COUNTY OF SANTA CRUZ  
8                   AND  
9                   AMERICAN MEDICAL RESPONSE WEST,  
10                  A CALIFORNIA CORPORATION AND  
11                  A SUBSIDIARY OF AMERICAN MEDICAL RESPONSE, INC.

12                   REVISED SEPTEMBER 11, 2001 WITH AMENDMENTS

13  
14  
15   This Agreement is entered into by and between the COUNTY OF SANTA CRUZ, a political  
16   subdivision of the State of California, hereinafter called County and AMERICAN MEDICAL  
17   RESPONSE WEST, a California Corporation, and a subsidiary of AMERICAN MEDICAL  
18   RESPONSE, INC. hereinafter referred to as Contractor.

19  
20                   INTENT

21  
22   WHEREAS, County and Contractor have entered into that certain agreement entitled Second  
23   Amended Emergency Medical Services Provider Agreement for Emergency Ambulance  
24   Advanced Life Support Transport Services Between The County of Santa Cruz And American  
25   Medical Response West, A California Corporation And A Subsidiary of American Medical  
26   Response, Inc., as Revised September 11, 2001; and

27  
28   WHEREAS, County and Contractor wish to amend the aforementioned agreement to continue  
29   certain provisions in full force and effect subsequent to the expiration or termination of the  
30   agreement; and

31  
32   WHEREAS, the County and Contractor also desire, in accordance with the terms of the afore-  
33   mentioned agreement, to expend accumulated Excess Revenues for legally permissible purposes  
34   which benefit the Contractor, the County, and its patients; and

35  
36   WHEREAS, improving the quality, efficiency, and cost-effectiveness of the EMS/ambulance  
37   system will benefit County citizens; and

38  
39   WHEREAS, the County believes it is mutually desirable and for the general public interest,  
40   convenience, and welfare that the entire area of the County of Santa Cruz receive prompt,  
41   clinically excellent, and efficient advanced life support services; and

1  
2 NOW, THEREFORE, THE PARTIES HERETO AGREE AS FOLLOWS:  
3  
4

5 A. Continuation of Certain Provisions of the Second Amended Emergency Medical Services  
6 Provider Agreement.  
7

8 The parties further agree to amend the Agreement by adding Paragraph F to Part Six to  
9 read as follows:  
10

11 The provisions of Part Six, Paragraphs A (1) through A (5), A (7), C, D and E shall  
12 remain in full force and effect after the termination or expiration of this Agreement in  
13 order to conclude the fiscal audits and Year-End Reconciliation by the County Auditor-  
14 Controller and the determination of any Excess Revenues and the required deposit into  
15 and the expenditure from the Santa Cruz Excess Revenue Reserve Account.  
16  
17

18 B. Use of Excess Revenues.  
19

20 The parties hereby agree under the authority of Part Six, Paragraph A (5)(c)(i) of the  
21 Second Amended Emergency Medical Services Provider Agreement for Emergency  
22 Ambulance Advanced Life Support Transport Services Between The County of Santa  
23 Cruz And American Medical Response West, A California Corporation and a Subsidiary  
24 of American Medical Response, Inc., as Revised September 11, 2001, and as amended, to  
25 expend sums from the Santa Cruz Excess Revenue Reserve Account in the following  
26 manner and amounts:  
27

- 28 1. Program expenditures to develop and maintain the County electronic Patient Care Record  
29 system costing approximately \$128,000 that shall benefit all prehospital provider  
30 agencies throughout the County.  
31  
32 2. Supporting the clinical protocol effort to update and maintain policies and procedures in  
33 the sum of \$11,000.  
34  
35 3. Training equipment as set forth below that shall be the property of the County and shall  
36 be made equally available to AMR and the Emergency Medical Services Integration  
37 Authority (EMSIA) for training purposes, housed in an area equally accessible to AMR  
38 and EMSIA, and utilized according to a schedule allotting approximately 50% of the time  
39 to AMR and EMSIA. Joint training activity shall be given schedule preference.  
40  
41

<b>ALS Mannequins</b>	
<b>12 Adult</b>	<b>28,000</b>
<b>4 Pediatric</b>	<b>8,000</b>
<b>2 Infant</b>	<b>2,000</b>
<b>Digital Projector</b>	<b>3,000</b>
<b>Laptop Computer</b>	<b>3,000</b>



<b>Video Camera Set Up</b>	<b>3,000</b>
<b>Moulage Kits</b>	<b>500</b>
<b>OB Mannequin</b>	<b>650</b>
<b>Trailer</b>	<b>5,000</b>
<b>Pop Up Shade Tents for outside Drills</b>	<b>1,000</b>
<b>Storage Cabinets for EMS Equipment</b>	<b>3,000</b>
<b>Disposable EMS Items</b>	<b>3,400</b>
<b>EMS Training Library/Journals</b>	<b>2,000</b>
<b>2 Intraosseous legs</b>	<b>200</b>
<b>2 Cricoid Neck simulators</b>	<b>600</b>
<b>2 Pneumothorax Trainers</b>	<b>1650</b>
<b>2 Laerdal ALS Skills Trainers</b>	<b>10,000</b>
<b>Total</b>	<b>75,000</b>

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4. Data recording equipment at a cost not to exceed \$85,000 to benefit the EMS System that shall be the property of the County and shall be managed in cooperation with the Santa Cruz Consolidated Emergency Communication Center (SCCECC, known as Netcom).
5. Programs to enhance Emergency Medical Technician (EMT-1) training for advanced airway techniques and medication administration as approved by the EMS Medical Director costing approximately \$50,000 to be offered equally to all first responder agencies throughout the County who have EMT personnel.
6. Patient care equipment, consisting primarily of defibrillators, costing approximately \$30,000 that shall be the property of the County and distributed to prehospital provider agencies based on demonstrated need.

C. Use of Remaining Excess Revenues.


Excess Revenues remaining in the Santa Cruz Excess Revenues Account shall be expended as the parties shall agree in writing.

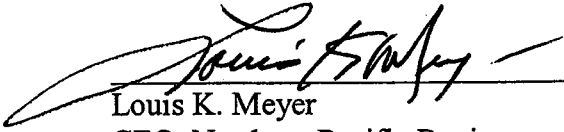
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IN WITNESS WHEREOF, the parties have executed this Agreement on dates indicated below.

For the County of Santa Cruz

For American Medical Response West

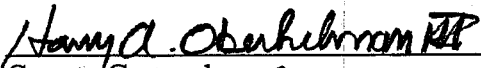
  
\_\_\_\_\_  
Rama Khalsa, Ph.D.  
HSA Administrator

  
\_\_\_\_\_  
Louis K. Meyer  
CEO, Northern Pacific Region

Date: 6/26/03

Date: 6-2-03

APPROVED AS TO FORM:

  
\_\_\_\_\_  
County Counsel 6-3-03

AK

# COUNTY OF SANTA CRUZ REQUEST FOR APPROVAL OF AGREEMENT

TO: Board of Supervisors  
County Administrative Office  
Auditor Controller

FROM: Health Services Agency (Department)

BY: [Signature] (Signature) 11/27/02 (Date)

Signature certifies that appropriations/revenues are available

AGREEMENT TYPE (Check One) Expenditure Agreement  Revenue Agreement

The Board of Supervisors is hereby requested to approve the attached agreement and authorize the execution of same.

1. Said agreement is between the Health Services Agency - Administration (Department/Agency)  
and American Medical Response West, 7575 Southfront, Livermore, CA 94551 (Name/Address)

2. The agreement will provide Ambulance service in Santa Cruz County

3. Period of the agreement is from December 1, 1997 to August 31, 2003

4. Anticipated Cost is \$ N/A  Fixed  Monthly Rate  Annual Rate  Not to Exceed

Remarks: Amendment extends end date up to October 31, 2003

5. Detail:  On Continuing Agreements List for FY 02 - 03 . Page CC- 24 Contract No: 0127 OR  1<sup>st</sup> Time Agreement

Section II No Board letter required, will be listed under Item 8

Section III Board letter required

Section IV Revenue Agreement

6. Appropriations/Revenues are available and are budgeted in N/A (Index) N/A (Sub object)

NOTE: IF APPROPRIATIONS ARE INSUFFICIENT, ATTACHED COMPLETED AUD-74 OR AUD-60

~~Appropriations are available and encumbered.~~  
~~are not available and will be encumbered.~~

Contract No: 20127  
By: [Signature] Auditor-Controller Deputy Date: 11/27/02

Proposal and accounting detail reviewed and approved. It is recommended that the Board of Supervisors approve the agreement and authorize HSA Director (Dept/Agency Head) to execute on behalf of the Health Services Agency (Department/Agency)

Date: 11/27/02 By: [Signature] County Administrative Office

Distribution:  
Board of Supervisors - White  
Auditor Controller - Canary  
Auditor-Controller - Pink  
Department - Gold

ADM - 29 (8/01)  
Title I, Section 300 Proc Man

State of California  
County of Santa Cruz  
I, Suzana M. Marmola ex-officio Clerk of the Board of Supervisors of the County of Santa Cruz, State of California, do hereby certify that the foregoing request for approval of agreement was approved by said Board of Supervisors as recommended by the County Administrative Office by an order duly entered in the minutes of said Board on 12/10 2002

By: [Signature] Deputy Clerk

AUDITOR-CONTROLLER USE ONLY

CO	Document No.	JE Amount	Lines	H/TL	Keyed By	Date
TC110		\$				
	Auditor Description	Amount	Index	Sub object	User Code	

AMENDMENT TO SECOND AMENDED EMERGENCY MEDICAL SERVICES  
PROVIDER AGREEMENT FOR EMERGENCY AMBULANCE ADVANCED LIFE  
SUPPORT TRANSPORT SERVICES

BETWEEN

THE COUNTY OF SANTA CRUZ

AND

AMERICAN MEDICAL RESPONSE WEST,  
A CALIFORNIA CORPORATION AND A  
SUBSIDIARY OF AMERICAN MEDICAL RESPONSE, INC.

REVISED DECEMBER 10, 2002

This Agreement is entered into by and between the COUNTY OF SANTA CRUZ, a political subdivision of the State of California, hereinafter called COUNTY, and AMERICAN MEDICAL RESPONSE WEST, a California Corporation and a subsidiary of AMERICAN MEDICAL RESPONSE, INC. hereinafter referred to as CONTRACTOR.

WHEREAS, COUNTY and CONTRACTOR have entered into good faith negotiations following a competitive procurement process; and,

WHEREAS, COUNTY believes it is desirable for the general public interest and welfare to assure a minimum six month transition period for providers of emergency ambulance advanced life support transport services; and,

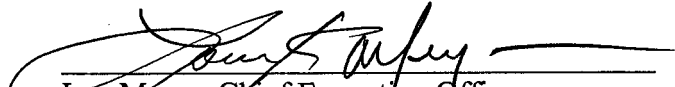
WHEREAS, CONTRACTOR'S current contract expires August 31, 2003.

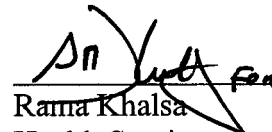
NOW, THEREFORE, THE PARTIES HERETO AGREE AS FOLLOWS:

If a negotiated contract for emergency ambulance advanced life support transport services has not been agreed to by COUNTY and CONTRACTOR, and signed by CONTRACTOR, by January 7, 2003, then for every day following January 7, 2003, the Second Amended Contract, dated Sept. 11, 2001, shall be extended by one day. Under no circumstances shall the Second Amended Contract, dated September 11, 2001, be extended beyond October 31, 2003, unless AMR and the County of Santa Cruz mutually agree to do so.

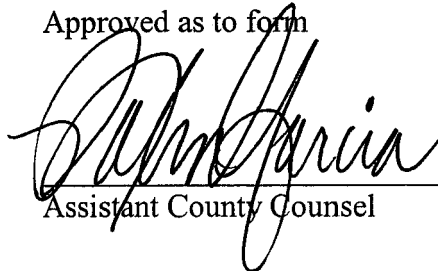
All other terms and conditions of the Second Amended Contract, dated Sept. 11, 2001, shall remain in full force and effect.

IN WITNESS WHEREOF, THE PARTIES HERETO HAVE EXECUTED THIS AGREEMENT THE DAY AND YEAR BELOW WRITTEN.

  
\_\_\_\_\_  
Lou Meyer, Chief Executive Officer  
American Medical Response West

 **DEC 11 2002**  
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Rama Khalsa  
Health Services Agency  
Administrator County of Santa Cruz

Approved as to form

  
\_\_\_\_\_  
Assistant County Counsel