

EXHIBIT

AGENDA ITEM # _____
DATE: February 14, 2011
COAC NUMBER: 11-4578

CITY COUNCIL ACTION FORM

**SUBJECT: Approve Sole Provider
Contract with Southwest Ambulance.**

STAFF PRESENTER: Paul Luizzi,
Interim Fire Chief

**COMPANY
CONTACT:**

RECOMMENDATION:

Council approve sole provider contract for dedicated ambulance service with Southwest Ambulance.

EXECUTIVE SUMMARY:

Approval of the sole provider contract with Southwest Ambulance will provide dedicated ambulances for the City of Goodyear. Benefits include a maximum allowable response time of ten minutes on high priority calls; cost sharing for City-provided call intake/dispatch; consistent quality of patient care and customer service; replacement of consumable EMS supplies and equipment on any call that contractor transports a patient to the hospital; and enhanced City control of our overall emergency medical service (EMS) system.

Through the contractual agreement, the City of Goodyear will receive payment from Southwest Ambulance, in the amount of slightly over \$80.00, for each Fire Department service when fire personnel accompany the patient(s) during ambulance transport to the receiving medical facility. We project an annual revenue stream of approximately \$63,000, given 20-25% of the current call volume requires this type of Fire Department service. (Paul Luizzi, Interim Fire Chief)

COMMUNITY BENEFIT:

The chief benefits of a contractual agreement with a private emergency ambulance transport firm include: dedicated ambulances for the City of Goodyear with a maximum allowable response time of ten minutes on high priority calls; cost sharing for City-provided call intake/dispatch; consistent quality of patient care and customer service; replacement of consumable EMS supplies and equipment on any call that contractor transports a patient to the hospital; and enhanced City control of our overall emergency medical service (EMS) system.

DISCUSSION:

On April 25, 2005, the Goodyear Fire Department presented to Mayor and City Council a report on ambulance transport service within the City of Goodyear. Fire Department executive staff presented a benchmark analysis which displayed the current status of Valley communities providing one of the following ambulance transport services: Non-

contracted Private Ambulance Provider, Fire-based Ambulance Transport Service, and Contracted Private Ambulance Provider. Mayor and City Council directed staff to request proposals from qualified firms to provide emergency ambulance transport service under contract with the City of Goodyear, for incidents occurring within City boundaries.

Since receiving Council direction, our efforts were delayed by conflict occurring between the Arizona Department of Health Services (ADHS) (the regulatory body for ambulance Certificate of Need) and several Valley cities. Arizona Department of Health Services has taken exception to the principles set out in some sole provider contracts submitted by the provider and the cities in question. There has been some delay as the change in ADHS' perspective has been articulated more clearly.

Since April 2007, we have been diligently working on the ambulance contract. Deputy Chief Paul Luizzi outlined the requirements of the contract. In May 2007, Paul Luizzi, Deputy Fire Chief; Elizabeth Simpson, former Assistant City Attorney; and Bob Carrier, Procurement Officer met to discuss the next step in the ambulance contract negotiations.

After several meetings, it was determined by the legal staff and the procurement officer to abandon the request for proposal process and, instead, negotiate with the only legal holder of an ambulance Certificate of Need (CON) for the City of Goodyear, Southwest Ambulance. We have developed the final pieces of the contract and scope of work with Elizabeth Simpson. Priorities for negotiation included ambulance coverage for underserved areas of Goodyear (Estrella Mountain Ranch), equipment and communications interoperability, and compatibility for seamless customer care.

On April 27, 2009, Mayor and City Council approved the contract for dedicated ambulance service with Southwest Ambulance. However, ADHS was not in full agreement of the principles set out in the sole provider contract with Southwest Ambulance and, once again, the contract was delayed. Since then, Paul Luizzi, Interim Fire Chief, has been diligently working with Goodyear City Attorney and ADHS negotiating the principles set out in the sole provide contract with Southwest Ambulance.

FISCAL IMPACT:

Through the contractual agreement, the City of Goodyear will receive payment from Southwest Ambulance, in the amount of slightly over \$80.00, for each Fire Department service when fire personnel accompany the patient(s) during ambulance transport to the receiving medical facility. We project an annual revenue stream of approximately \$63,000, given 20-25% of the current call volume requires this type of Fire Department service.