



AGENDA ITEM MEMORADUM

Finance

Tony Bryan, Finance Director *[Signature]*

Department

Department Director

COMMISSION MEETING DATE (*) - 7:00 PM	Deadline to Town Clerk
<input type="checkbox"/> May 8, 2012	April 27
<input type="checkbox"/> May 22, 2012	May 11
<input checked="" type="checkbox"/> June 12, 2012	June 1
<input type="checkbox"/> June 26, 2012	June 15
<input type="checkbox"/> July 10, 2012	June 29
<input type="checkbox"/> July 24, 2012	July 13

*Subject to Change

- Presentation Reports Consent Ordinance
 Resolution Quasi-Judicial Old Business New Business

FY2012 DESIGNATED HIGH PRIORITY ITEM - PRIORITY TOPIC

SUBJECT TITLE: PROPOSAL FROM AMR TO RENEW THEIR AGREEMENT WITH THE TOWN

EXPLANATION: In September 2008, the Town entered into a five year agreement with AMR to provide Emergency Medical Services. The agreement expires on September 30, 2013 but does allow the parties to renew the agreement.

The agreement stipulates that the fees paid by the Town to AMR escalate by 4% annually. The annual payment started at \$670,000 and has since escalated to \$753,659.

AMR has proposed an amendment to the existing agreement under which, if the Town extends the agreement through September 30, 2017, AMR will waive the 4% annual increase for fiscal years 2012-13 and 2013-14.

The following table shows the annual and accumulated savings associated with AMR's proposal vs. the current agreement.

FY Ended	Contract Amount	Current Proposal	Difference
Sep-12	\$ 753,659	\$ 753,659	\$ -
Sep-13	783,805	753,659	30,146
Sep-14	815,157	753,659	61,499
Sep-15	847,764	783,805	63,959
Sep-16	881,674	815,157	66,517
Sep-17	916,941	847,764	69,178
Total	\$4,999,001	\$4,707,703	\$ 291,298



As you can see, the potential cost avoidance is considerable, assuming that no respondent would come forward in an RFP next summer with a better offer. In reality, were the Fire/Rescue Departments of Pompano Beach or Fort Lauderdale to respond to our RFP they could not match the superb response times from their closest stations that we currently get with AMR. (The existing agreement states that AMR shall respond to a minimum of 90% of the emergency 911 calls received each month within six minutes. AMR routinely meets this threshold due, at least in part, to the fact that they operate out of the Public Safety Building in Town.) If the Fire/Rescue Departments of Pompano Beach or Fort Lauderdale were to station a response unit in LBTS, we suspect – but do not know for sure - that they would not be cost competitive.

Whether the quality of the medical care those cities could offer would exceed that of AMR is something that would require an outside consultant to assess.

There are other private companies that could respond but, to our knowledge, none of them are offering full medical emergency service to any city in Broward County. The LBTS VFD has advised it would be a considerable effort to expand their operations to absorb this function and that they will not be in a ready to respond to an RFP next year.

Should the Commission wish to entertain AMR's proposal, there are other aspects of the contract that need to be modified, not just the cost escalation provisions.

EXPECTED OUTCOME: Commission direction regarding whether to negotiate an extension to the current Emergency Medical Services Agreement or to issue an RFP for Emergency Medical Services during fiscal year 2012-13.

EXHIBITS: Emergency Medical Services Agreement, dated September 23, 2008.

Reviewed by Town Attorney
 Yes No

Town Manager Initials CH



EMERGENCY MEDICAL SERVICES AGREEMENT

THIS EMERGENCY MEDICAL SERVICES AGREEMENT is made and entered into this ___ day of September, 2008, between Broward Ambulance, Inc. d/b/a American Medical Response ("AMR"), and Town of Lauderdale-By-The-Sea ("Agency"). This Agreement supersedes any previous agreement between AMR and the Agency and serves as the sole contractual agreement between the two parties for term of services.

WHEREAS, the Agency is a political subdivision of the State with authority over the delivery of pre-hospital emergency medical services ("EMS") within its jurisdiction;

WHEREAS, AMR is a licensed provider of high quality EMS with the capability to provide EMS within the Agency's jurisdiction;

WHEREAS, in order to assure that residents and visitors within the Agency's jurisdiction receive appropriate EMS when required as a result of injury or illness, the Agency desires to grant AMR the right to provide the specific EMS described herein, and AMR desires to provide such EMS, subject to the terms and conditions specified herein.

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. **Operating Area.** The Agency hereby grants AMR the right to provide emergency medical services (the "Services") within the municipal boundaries of the Town of Lauderdale-By-The-Sea (the "Service Area").

2. **Dispatch.** The Agency shall require, by contract or otherwise, all public safety answering points and communications facilities authorized to receive emergency medical calls and to dispatch emergency ambulances within the Service Area and to direct such calls to resources dedicated to the Agency utilizing the Computer Assisted Dispatch system ("CAD") in accordance with the dispatch protocols agreed upon by AMR and the Agency ("Dispatch Protocols"). Agency shall be responsible for the procurement and maintenance of a CAD terminal and its connectivity to the County dispatch network. The Agency shall ensure that EMS personnel have received proper training in the use of the

CAD system. Agency shall require that all such emergency calls, including those received on seven digit numbers, be routed to the resource as provided in the Dispatch Protocols. Specific Dispatch Protocols and policies regarding coverage of the Service Area and access to mutual aid will be outlined in the Memorandum of Understanding or Statement of Work agreed upon by the Agency, AMR and the contracted dispatch center. Notwithstanding the foregoing, Agency may enter into mutual aid agreements with licensed ambulance providers, as deemed necessary. AMR will accept all calls without regard to gender, race, religion, age, nationality or ability to pay.

3. Operations, Facilities, and Equipment.

3.1. **Operations.** AMR shall provide emergency medical services to Agency on a twenty-four (24) hour, seven (7) days per week basis during the term of this Agreement with NO EXCEPTIONS. AMR shall maintain one (1) dedicated ALS ambulance unit in the Service Area stationed at the Facility (as defined below) with a minimum staff of two (2) paramedics and one (1) emergency medical technician at all times ("Dedicated Unit"). If determined by mutual agreement that additional dedicated AMR units are needed, the number, location and fees for such units shall be agreed to by the parties in writing. AMR shall upon request of the Agency make the Dedicated Unit available to service special events as required. AMR shall be permitted to backfill other secondary units into the Service Area in accordance with its system status management.

3.2. **Response Time.** AMR shall respond within six (6) minutes or fewer to a minimum of 90% of all emergency 911 calls in each month. Response time shall be measured from the time of dispatch to the time on scene.

3.3. **Facilities.** AMR will staff a headquarters and unit located in the Service Area at the following facility ("Facility"):

Town of Lauderdale-By-The-Sea Fire Station
4501 Ocean Drive
Lauderdale-by-the-Sea, Florida 33308

In addition, AMR will maintain a posting location at or



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In addition, AMR will maintain a posting location at or around Holy Cross Hospital as available to insure adequate deployment of resources to the Agency. . AMR will rotate back-up units as available, to the Holy Cross Hospital posting location secondary to the dispatch of the Dedicated Unit.

3.4 Facility Maintenance. The Agency owns the Facility and will be responsible for major repairs of the Facility and property (i.e., to include HVAC systems, electrical systems, roof systems and storm drainage to Facility and property.) AMR shall be responsible for the daily maintenance of the Facility and shall maintain the Facility in good condition.

3.5. Equipment. All equipment employed by AMR shall comply the rules and regulations set forth in Fla.Dept.Health Chapter 64-E-2 Florida Administrative Code.

3.6. Ambulances. All AMR ALS transport ambulances shall be certified by the State of Florida as ALS transport ambulances and must meet or exceed all State regulations and licensing requirements. ALS transport ambulances will be subject to state inspection to ensure continued compliance. AMR shall be responsible for the maintenance of all ALS transport ambulances.

3.7 Equipment Maintenance. AMR will upgrade and replace ambulances, defibrillators and other assets on a reasonable basis, at its expense, as it deems necessary. AMR will be responsible for all capital and equipment purchases with such purchases to be made in its reasonable discretion. Whenever it is necessary to transport equipment that belongs to first responders along with the patient in an AMR ambulance, AMR will replace the equipment that is damaged during use by AMR. Such equipment will include, but not be limited to, stretchers, splints, extrication devices, backboards or MAST pants.

4. Personnel and Supervision.

4.1 Personnel. AMR shall maintain the Dedicated Unit stationed at the Facility with minimum staff of two (2) paramedics and one (1) emergency medical technician at all times. All secondary response units will be staffed with a minimum of one (1)

paramedic and one (1) EMT. The on-duty EMT assigned to the Dedicated Unit may function as an employee of the Town for fire service requests as agreed upon in writing by both parties. AMR will be responsible for all management and personnel issues related to EMS employees hired by AMR. EMS personnel shall at all times (unless agreed upon otherwise) be employees of AMR and shall be subject to AMR personnel policies and guidelines, including AMR's Standard Operating Procedures for the Service Area AMR shall ensure that all personnel meet or exceed the minimum training requirements required by the State of Florida.

4.2 Supervision. AMR shall provide an EMS Supervisor who shall be responsible for the supervision of AMR employees operating within boundaries of Lauderdale-By-The-Sea. The EMS Supervisor will meet all minimum requirements as per AMR's standard Field Supervisor, job description qualifications.

5. Obligations of the Agency. The Agency agrees to retain AMR as the ambulance provider of emergency ambulance transportation during the Term. The Agency agrees to adopt or amend any necessary ordinances or regulations to effect this Agreement. The Agency agrees to provide, directly or by contract, dispatch for all 911 calls and dispatch services in accordance with generally accepted national standards. The Agency will work with AMR to develop and implement standard operating guidelines which outline policies and procedures for dispatch and communication of all 911 calls with AMR units and AMR staff.

6. Compliance. The parties will comply in all material respects with all applicable federal, state and local laws and regulations, including the federal Anti-kickback Statute. AMR's ambulances will conform to applicable state and local regulations for medical equipment for ambulances and be duly licensed for the transportation of patients. All personnel staffing vehicles that provide the Services will be licensed or certified as required by applicable law. AMR shall operate under the Agency's Broward County Certificate of Public Convenience and Necessity for Class 1 ALS Rescue ("COPCN"), as required by the Agency and the Code of Broward County. AMR shall maintain all applicable licenses, certifications and regulatory approvals necessary



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for Agency to maintain its COPCN.

7. **Standards.** The Services shall be provided in accordance with prevailing industry standards of quality and care applicable to medical transportation service

8. **Emergency Medical Services Billing.** During the Term, AMR will be responsible for billing and collections for all Services provided by AMR. Billing and settlement of claims will be at the sole discretion of AMR. Notwithstanding the foregoing, AMR will use reasonable efforts to establish payment plans for individuals with limited means and will consider "charity care" on a case-by-care basis for individuals who do not have the means to pay for the Services, all consistent with current practices and policies of AMR.

9. **Agency Contribution.** During the Term, the Agency will make an annual payment to AMR (the "Agency Contribution") for purposes of offsetting the expenses of providing the Services described herein. The Agency Contribution shall be payable to AMR in equal monthly installments beginning October 1, 2008 and being due on the first of each month thereafter. The annual Agency Contribution for the first contract year ("Contract Year" shall be October 1st through September 30th) of the Agreement shall be Six Hundred and Seventy Thousand Dollars (\$670,000.00). The Agency Contribution shall automatically increase by four percent (4%) on October 1st of the second Contract Year and each subsequent Contract Year thereafter (including any renewals).

10. **Rebate of Agency Contribution.** If in any Contract Year of this Agreement, AMR's net revenues received from Emergency Medical Services generated within the Service Area plus the Agency Contribution exceed the total of one million dollars (\$1,000,000.00) in the aggregate, AMR will rebate to the Agency one half (1/2) of the amount which exceeds one million dollars (\$1,000,000.00) ("Rebate"). The Rebate shall be capped at a maximum of the Agency Contribution for the Contract Year. AMR will provide the Agency with an accounting and make payment of the Rebate within sixty (60) days of the Contract Year end.

Example Contract Year 1:

Agency Contribution	\$670,000
<u>+AMR Net Revenues</u>	<u>\$340,000</u>
	\$1,010,000
	<u>- \$1,000,000</u>
	\$10,000
	+2
Rebate =	\$5,000

11. **Indemnification.** Neither party agrees to indemnify or hold harmless the other party. However, to the extent provided by law, each party will be responsible for its own acts or omissions and any and all claims, liabilities, injuries, suits, and demands and expenses of all kinds which may result from or arise out of any alleged malfeasance or neglect caused or alleged to have been caused by that party, its employees or representatives, in the performance or omission of any act of responsibility of that party under this Agreement. In the event that a claim is made against both parties, it is the intent of both parties to cooperate in the defense of said claim and to cause their insurers to do likewise. However, both parties shall have the right to take any and all actions they believe necessary to protect their interest. This provision shall survive the termination of this Agreement.

12. **Insurance.** AMR shall, upon request, provide Agency with certificates of insurance evidencing that it has maintained comprehensive automobile insurance, comprehensive general liability insurance, and professional liability insurance all in minimum amounts that are customary and usual within the medical transportation industry and workers' compensation insurance in the statutory required amounts.

13. **Term.** The initial term of this Agreement shall be for five (5) years from October 1, 2008 through September 30, 2013. The parties may renew this Agreement with written consent. The initial term and all renewal periods shall be cumulatively referred to as the "Term".

14. **Termination.**



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14.1 Termination for Convenience. Each party may terminate this agreement at any time without cause and at its sole discretion upon one hundred eighty (180) days written notice via certified letter to the other party.

14.2 Termination for Cause. Each party may terminate this agreement upon the material breach of this Agreement by the other party if such breach is not cured within thirty (30) days of written notice via certified letter thereof to the other party.

14.3 Automatic Termination. Termination shall occur automatically should Agency or AMR file or consent to the filing of a petition for reorganization and or bankruptcy or become otherwise insolvent.

15. Default. Notwithstanding a party's right to terminate this Agreement as set forth in Article 14 above, if the Agency or AMR fails to perform or observe any of the material terms and conditions of this Agreement for a period of ten (10) days after receipt of written via certified letter notice of such default from the other party, the party giving notice of default may be entitled, but is not required, to seek specific performance of this Agreement on an expedited basis, as the performance of the material terms and conditions contained herein relate to the health, safety, and welfare of the residents subject to this Agreement. The parties acknowledge that money damages or other legally available remedies may be inadequate for the failure to perform, and that the party giving notice is entitled to obtain an order requesting specific performance by the other party. Failure of any party to exercise its rights in the event of any breach by the other party shall not constitute a waiver of such rights. No Party shall be deemed to have waived any failure to perform by the other party unless such waiver is in writing and signed by the waiving party. Such waiver shall be limited to the terms contained therein. This article shall be without prejudice to the rights of any party to seek a legal remedy for any breach of the other party as may be available in law or equity.

16. Referrals. It is not the intent of either party that any remuneration, benefit or privilege provided for under this Agreement shall influence or in any way be based on the referral or recommended referral by either

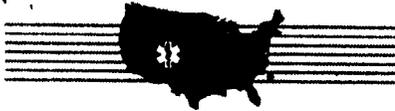
party of patients to the other party or its affiliated providers, if any, or the purchasing, leasing or ordering of any services other than the specific services described in this Agreement. Any payments specified herein are consistent with what the parties reasonably believe to be a fair market value for the services provided.

17. Relationship. In the performance of this Agreement, each party hereto shall be, as to the other, an independent contractor and neither party shall have the right or authority, express or implied, to bind or otherwise legally obligate the other. Nothing contained in this Agreement shall be construed to constitute either party assuming or undertaking control or direction of the operations, activities or medical care rendered by the other. AMR and Agency administrative staff shall meet on a regular basis to address issues of mutual concern related to the provision of Services and the parties' respective rights and obligations hereunder.

18. HIPAA. Each party shall comply with the privacy and security provisions of the *Health Insurance Portability and Accountability Act of 1996* and the regulations hereunder ("HIPAA"). All Patient medical records shall be treated as confidential so as to comply with all state and federal laws.

19. Compliance Program and Code of Conduct. AMR has made available to the Agency a copy of its Code of Conduct, Anti-kickback policies and other compliance policies, as may be changed from time-to-time, at AMR's web site, located at: www.amr.net, and the Agency acknowledges receipt of such documents. AMR warrants that its personnel shall comply with AMR's compliance policies, including training related to the Anti-kickback Statute.

20. 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



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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.

21. Equal Employment Opportunity. If the provisions of Executive Order 11,246 are applicable to this Agreement, the parties incorporate the equal employment opportunity clause set forth in 41 C.F.R. parts 60-1. If the provisions of Executive Order 13,201 are applicable to this Agreement, the parties incorporate the equal employment opportunity clause set forth in 29 C.F.R. part 470

Notices. Any notice required or permitted by this Agreement shall be in writing and shall be delivered as follows, with notice deemed given as indicated: (a) by personal delivery, when delivered personally; (b) by overnight courier, upon written verification of receipt; (c) by facsimile transmission, upon acknowledgment of receipt of electronic transmission; or (d) by certified or registered mail, return receipt requested, upon verification of receipt. Notice shall be sent to the following addresses:

If to Agency:

**Town of Lauderdale-By-The-Sea
4501 Ocean Drive
Lauderdale-By-The-Sea, FL 33308**

With Mandatory Copy to:

**Weiss Serota Helfman Pastoriza
Cole & Boniske, P.L.
200 East Broward Boulevard, Suite 1900
Fort Lauderdale, FL 33301**

If to AMR:

**General Manager
American Medical Response
Broward Ambulance, Inc.
5551 NW 9th Ave.
Fort Lauderdale, FL 33309**

With Mandatory Copy to:

**Legal Department
American Medical Response, Inc.
6200 South Syracuse Way, Suite 200
Greenwood Village, Colorado 80111**

22. Miscellaneous. This Agreement (including the Schedules hereto): (a) constitutes the entire agreement between the parties with respect to the subject matter hereof, superseding all prior oral or written agreements with respect thereto; (b) may be amended only by written instrument executed by both parties; (c) may not be assigned by either party without the written consent of the other party, such consent not to be unreasonably withheld; (d) shall be binding on and inure to the benefit of the parties hereto and their respective successors and permitted assigns; (e) may be executed in several counterparts (including by facsimile), each of which shall constitute an original and all of which, when taken together, shall constitute one agreement; and (g) shall not be effective until executed by both parties. In the event of a conflict between this Agreement and any Schedule hereto, the terms of this Agreement shall govern.

20. Severability. In the event a portion of this Agreement is found by a court of competent jurisdiction to be invalid, the remaining provisions shall continue to be effective.

21. Governing Law and Venue. This Agreement shall be governed, construed and controlled according to the laws of the State of Florida. Any claim, objection or dispute arising out of the terms of this Agreement shall be litigated on the Seventeenth Judicial Circuit in and for Broward County, Florida.

****SIGNATURE PAGE FOLLOWS****



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IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first above written.

TOWN OF
LAUDERDALE-BY-THE-SEA

ATTEST:

Jane White
JANE WHITE
TOWN CLERK
Date: 9/23/08

BY: Roseann Minnet
ROSEANN MINNET, MAYOR

APPROVED AS TO FORM

Daniel L. Abbott
DANIEL L. ABBOTT
TOWN ATTORNEY

WITNESSES:

BROWARD AMBULANCE, INC.
D/B/A AMERICAN MEDICAL RESPONSE

W. J. Hall
Bill Hall
Please Print Name

BY: Richard Barros
Richard Barros

DATE: 9/23/08